Timeline for 2015 Ozone NAAQS Designation Process

Milestone	Date
The EPA promulgates 2015 ozone NAAQS rule	October 1, 2015
States and tribes submit recommendations for ozone designations to the EPA	No later than October 1, 2016
The EPA notifies states and tribes concerning any intended modifications to their recommendations (120-day letters)	No later than June 2, 2017 (120 days prior to final ozone area designations)
The EPA publishes public notice of state and tribal recommendations and the EPA's intended modifications, if any, and initiates 30-day public comment period	On or about June 9, 2017
End of 30-day public comment period	On or about July 10, 2017
States and tribes submit additional information, if any, to respond to the EPA's modification of a recommended designation	No later than August 7, 2017
The EPA promulgates final ozone area designations	No later than October 1, 2017

Revised Schedule for Exceptional Events Flagging and Documentation Submission for Data to be used in Initial Area Designations for the 2015 Ozone NAAQS

NAAQS Pollutant/Standard/(Level)/ Promulgation Date	Air Quality Data Collected for Calendar Year	Event Flagging & Initial Description Deadline	Detailed Documentation Submission Deadline
Ozone/Primary and Secondary 8-hour Standards (70 ppb) Promulgated October 1, 2015	2013, 2014, 2015	July 1, 2016	October 1, 2016
	2016	May 31, 2017	May 31, 2017

Recent EPA activities related to background ozone

- EPA recognizes that, periodically, sources other than domestic manmade emissions of ozone precursors can contribute appreciably to monitored ozone (O3) concentrations.
- These "background ozone" (BGO3) contributions may in limited instances have implications for implementation and eventual attainment of the new O3 standard, although there is no indication that background O3 alone will prevent attainment of the new standard.
  - High background O3 events caused by stratospheric inclusion or wildfires can be excluded from the regulatory data if states or tribes submit an exceptional event demonstration and EPA concurs.
  - EPA brief was filed on July 29th in *Murray Energy Corporation v. U.S. EPA*.
- EPA Region 8 is currently working with the UDAQ and the Ute Indian Tribe on an O3 stratospheric exceptional event demonstration in the Uinta Basin for June 8-9, 2015.

Recent EPA activities related to background ozone

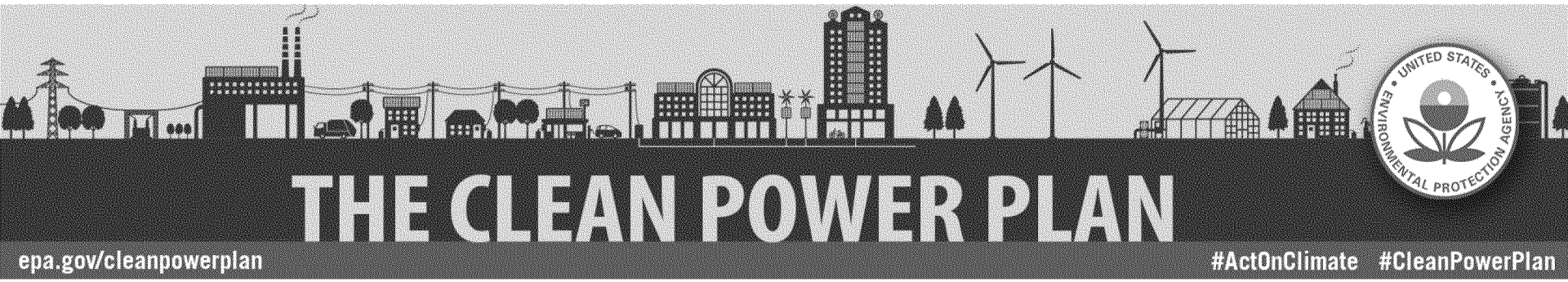
- Since promulgation of the new NAAQS, as part of outreach efforts with stakeholders regarding BGO3 issues in the implementation process, EPA has:
  - Developed a BGO3 white paper: https://www.epa.gov/sites/production/files/2016 -03/documents/whitepaper -bgo3-final.pdf
  - Organized BGO3 workshop: https://www.epa.gov/sites/production/files/2016 -03/documents/bgo3-high-level-summary.pdf
  - Opened a non-regulatory docket to allow additional comments on BGO3 and NAAQS implementation.
  - Organized a July 18th call with WESTAR to discuss action items from WESTAR letter to the docket.

Upcoming EPA actions related to background O3

- Coming out of the EPA/WESTAR BGO3 discussions:
  - We are working to develop a collaborative workplan for the next 1-2 years that will focus on continued and improved efforts to characterize BGO3 in the western U.S.
    - Ideally, this effort would include EPA and western States, along with other Federal agencies, academics, and stakeholders (where appropriate).
  - At a minimum, this workplan will include efforts aimed at:
    - Global model intercomparison and evaluation,
    - Enhanced regional model evaluation, and
    - Attribution techniques aimed at estimating the contribution of individual sources that contribute BGO3.
  - The initial outputs of the workplan are expected to be discussed at a western air quality workshop in the summer of 2017. This workshop will also serve as a launch pad for needed next-stage analyses.

Upcoming EPA actions related to background O3

- At the same time EPA is also planning to:
  - Finalize our guidance on exceptional event demonstrations for wildfires and stratospheric intrusions.
  - Clarify EPA policy with respect to 179B of the Clean Air Act in the proposed implementation rule.
  - Work with EPA ORD to make the hemispheric CMAQ model available to States as a tool for the generation of regional boundary conditions.



The Clean Energy Incentive Program Design Details Proposed Rule

Discussion with EPA Region 8 State Air Program Directors
8/16/2016

Background

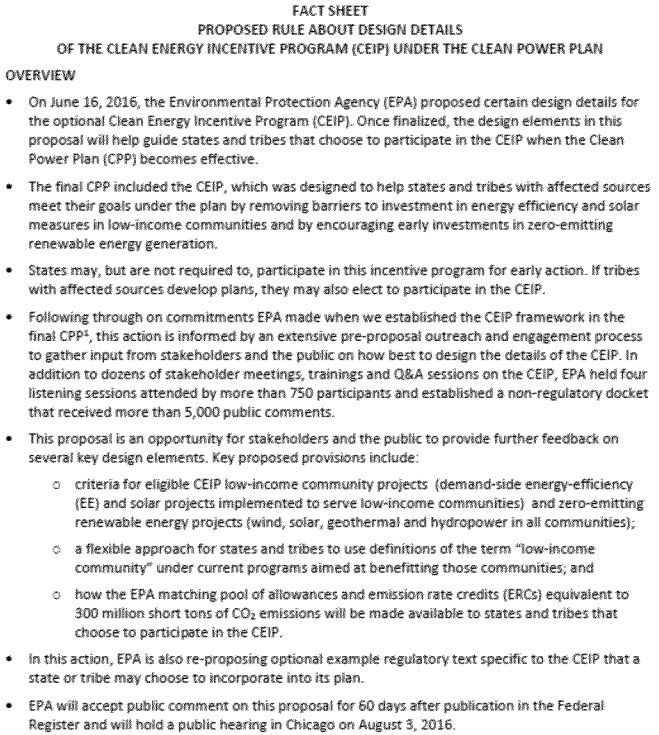
- The CEIP is an optional early-action program to help states, tribes, and affected sources meet their CPP goals
- Key parts of the program were finalized in the Clean Power Plan
- On June 16, 2016, EPA proposed certain design details to provide more guidance on the CEIP

EPA is moving forward with developing the CEIP in a manner consistent with the stay:

Many states and stakeholders urged EPA to continue to support their voluntary efforts

Key Provisions of the Proposal

- Eligibility requirements for CEIP projects
- Definition of "low-income community"
- Distribution of matching allowances and ERCs



FACT SHEET
PROPOSED RULE ABOUT DESIGN DETAILS
OF THE CLEAN ENERGY INCENTIVE PROGRAM (CEIP) UNDER THE CLEAN POWER PLAN

OVERVIEW

- On June 16, 2016, the Environmental Protection Agency (EPA) proposed certain design details for the optional Clean Energy Incentive Program (CEIP). Once finalized, the design elements in this proposal will help guide states and tribes that choose to participate in the CEIP when the Clean Power Plan (CPP) becomes effective.
- The final CPP included the CEIP, which was designed to help states and tribes with affected sources meet their goals under the plan by removing barriers to investment in energy efficiency and solar measures in low-income communities and by encouraging early investments in zero-emitting renewable energy generation.
- States may, but are not required to, participate in this incentive program for early action. If tribes with affected sources develop plans, they may also elect to participate in the CEIP.
- Following through on commitments EPA made when we established the CEIP framework in the final CPP[1], this action is informed by an extensive pre-proposal outreach and engagement process to gather input from stakeholders and the public on how best to design the details of the CEIP. In addition to dozens of stakeholder meetings, trainings and Q&A sessions on the CEIP, EPA held four listening sessions attended by more than 750 participants and established a non-regulatory docket that received more than 5,000 public comments.
- This proposal is an opportunity for stakeholders and the public to provide further feedback on several key design elements. Key proposed provisions include:
  - criteria for eligible CEIP low-income community projects (demand-side energy-efficiency (EE) and solar projects implemented to serve low-income communities) and zero-emitting renewable energy projects (wind, solar, geothermal and hydropower in all communities);
  - a flexible approach for states and tribes to use definitions of the term "low-income community" under current programs aimed at benefitting those communities; and
  - how the EPA matching pool of allowances and emission rate credits (ERCs) equivalent to 300 million short tons of CO_2 emissions will be made available to states and tribes that choose to participate in the CEIP.
- In this action, EPA is also re-proposing optional example regulatory text specific to the CEIP that a state or tribe may choose to incorporate into its plan.
- EPA will accept public comment on this proposal for 60 days after publication in the Federal Register and will hold a public hearing in Chicago on August 3, 2016.

https://www.epa.gov/sites/production/files/2016-06/documents/fs-ceip-proposal-061616.pdf

Eligibility Requirements for CEIP Projects

- EPA is proposing that solar projects in low-income communities would be eligible for the 2:1 award from the low-income community reserve (in addition to EE)
  - ➢ the projects must provide direct electricity bill benefits to low-income community ratepayers
- EPA is proposing that geothermal and hydropower projects would be eligible for the 1:1 award from the renewable energy reserve (in addition to solar and wind)
- EPA is proposing that all projects would be eligible for awards based on when they "commence commercial operation" vs. when they "commence construction" (RE) or "commence operations" (EE)

Eligibility Requirements for CEIP Projects

- EPA is proposing that "commence commercial operation" for renewable energy projects be defined as when a project begins selling "useable" electricity on or after January 1, 2020
- EPA is proposing that "commence commercial operation" for energy efficiency projects be defined as when a project begins delivering quantifiable and verifiable electricity savings on or after September 6, 2018
- EPA is proposing to eliminate the date of state plan submittal as the project eligibility date

Definition of "Low-Income Community"

- EPA is proposing that states and tribes may use one or more existing definition of "low-income community"
  - This includes local, state, or federal definitions from programs that provide benefits to low-income households and populations
  - Any definition used must have been established prior to the publication of the final Clean Power Plan on October 23, 2015
  - Selected definition(s) may be based on a geographic area that includes low-income households, and/or on household income
  - States and tribes would then consistently apply their selected definition(s) to determine eligibility of projects

Distribution of Matching Allowances or ERCs

- EPA is proposing that the matching pool be split between two reserves:
  - 50 percent of the matching pool for low-income community projects
  - 50 percent of the matching pool for renewable energy projects
- EPA is proposing to define the matching pool as follows:
  - Mass-based programs: 300 million allowances
  - Rate-based programs: 375 million ERCs
- Tables are provided listing each state's/tribe's share of the pool
- EPA is proposing that no additional reapportionment will occur if state/tribes do not utilize their share
- EPA is proposing that unused matching allowances or ERCs will be retired on January 1, 2023

How Do I Comment on the CEIP?

- The proposal published in the *Federal Register* on June 30, 2016
- EPA will accept comments on the proposal through Sept. 2, 2016
- Comment using Docket ID No. EPA-HQ-OAR-2016-0033 to: www.regulations.gov
- EPA held a public hearing on August 3, 2016, in Chicago, IL – it was attended by 214 people, 139 provided oral comments
- EPA held a roundtable for EJ groups on August 2, 2016, to discuss economic and employment benefits of climate action and the CEIP

CEIP Contacts

- Tina Ndoh, CEIP Project Lead, Office of Air Quality Planning and Standards, ndoh.tina@epa.gov, 919-541-2750
- Cate Hight, Office of Atmospheric Programs, hight.cate@epa.gov, 202-343-9230
- Laura McKelvey, Group Leader for Community and Tribal Programs Group, Office of Air Quality Planning and Standards, mckelvey.laura@epa.gov, 919-541-5497

Questions?

Excerpt from EJ 2020 ACTION AGENDA Draft Final for Public Comment - May 23, 2016

Chapter 4: Compliance and Enforcement

OBJECTIVE

Address pollution and public health burdens caused by violations of environmental laws in the nation's most overburdened communities, strengthen the role of environmental justice in EPA's compliance and enforcement work, and enhance work with our regulatory partners in overburdened communities.

Over the next five years, EPA will address pollution and public health burdens caused by violations of environmental laws in the nation's most overburdened communities. We will do so by directing more enforcement resources to the most overburdened communities and strengthening the role of environmental justice in EPA's compliance and enforcement work. These efforts will build upon the significant progress made under Plan EJ 2014 to weave consideration of environmental justice into the fabric of EPA's compliance and enforcement program.

Because states, federally recognized tribes (tribes) and local governments play a vital role in addressing violations that affect overburdened communities, EPA will also build environmental justice into our work with these co-regulators. EPA will increase collaboration with states, tribes, and local governmental partners to find and support the wider adoption of promising practices for addressing disparate impacts of illegal pollution on communities. EPA will also enhance communication and transparency with affected communities and the public regarding compliance and enforcement actions, so that community input can inform our work, and communities can be empowered with information about environmental and human health stressors that affect them.

As EPA directs enforcement resources and increases collaboration with states, tribes and local governments, we will be mindful of the national environmental outcome measures discussed in the Overview section of this Action Agenda. Compliance and enforcement activities can contribute to success in achieving the goals associated with these measures, and in reducing environmental and health disparities between populations with EJ concerns and the rest of the nation in general. EPA will evaluate opportunities for compliance and enforcement activities to contribute to achieving these goals and focus its efforts, as appropriate.

PROGRAM AND REGIONAL LEADS

Office of Enforcement and Compliance Assurance (OECA), Region 8

STRATEGIES AND ACTIONS

Strategy 1: Direct more EPA enforcement resources to the most overburdened communities.

Over the last five years EPA's enforcement program has significantly increased its focus on environmental justice, including reviewing all new cases to determine whether they affect overburdened communities and in structuring the resolution of enforcement actions to benefit the affected communities. For EJ 2020, EPA will ramp up its consideration of environmental justice when selecting national enforcement initiatives and the specific facilities and sites for compliance monitoring,

and in selecting, prioritizing and concluding enforcement cases. EPA will increase its compliance monitoring and enforcement activities in areas that are overburdened.

In particular, EPA will undertake the following specific activities to increase EPA's enforcement presence in, and response to concerns of, overburdened communities:

Action 1.1: EPA will build upon existing tools (e.g., EJSCREEN) to help EPA regional offices and co-regulators (states, tribes and local governments) identify the most overburdened communities and direct enforcement efforts.

This Action is aimed at helping regulators achieve, in particular, the goals described in Action 1.2. Specifically, this work will assist in targeting compliance inspections and enforcement for violating facilities located in overburdened areas and in identifying the most overburdened communities. The tools will bring together EJSCREEN and enforcement and compliance data, as well as explore incorporation of other demographic, environmental burden, pollution emission, and public health data. EPA will use the information produced by these efforts, along with on-the ground knowledge from other EPA programs, states, tribes, and community members and groups, to help direct where we can focus our enforcement efforts to make a difference to overburdened communities.

Action 1.2: EPA will increase compliance evaluations and enforcement actions for serious violations affecting overburdened communities, and in particular will identify and undertake community-based compliance and enforcement strategies in at least 100 of the most overburdened communities over the next five years.

EPA will develop more holistic compliance and enforcement strategies to address significant public health and/or environmental problems in at least 100 of the most overburdened communities. Within these communities, EPA will use targeting, inspections, and other compliance tools to identify non-compliance impacting the community, and then utilize informal and formal enforcement to bring facilities into compliance, as appropriate. For example, EPA will use the guidelines and new tools described in Action 1.1, among other things, to identify those overburdened communities where compliance and enforcement activities can make a significant difference. EPA will find appropriate opportunities to collaborate with tribal, state and local jurisdictions in identifying the overburdened communities for these strategies, and invite a shared undertaking of inspections and enforcement actions.

Action 1.3: EPA will achieve more settlements that benefit overburdened communities impacted by pollution violations.

These benefits can be achieved through injunctive relief, mitigation and supplemental environmental projects (SEPs). Indeed, EPA's recent update to its SEP policy and 2012 memorandum on mitigation both recognize that when these types of projects are feasible, they can play an important role in cases that raise environmental justice concerns. Thus, EPA is setting the goal of increasing the number of SEPs and mitigation projects affecting overburdened communities. To achieve this goal, EPA will, among other things, promote early consideration of beneficial SEPs and mitigation projects, by assuring that early enforcement case documents make defendants/respondents aware that such projects can be an important element of a settlement package. Importantly, EPA will share EJ enforcement success stories and best practices across the Agency, including examples of outreach to communities regarding enforcement actions.

Strategy 2: Work with federal, state, tribal and local governmental partners to pursue vigorous enforcement for violations in overburdened communities and leverage limited compliance resources by improving joint planning and targeting of enforcement activities.

The active participation by EPA's co-regulators – states, tribes and local governments – is critical to the goal of advancing environmental justice through compliance and enforcement. States in particular conduct a significant portion of the compliance and enforcement activities across the country, so shared accountability toward protecting the most vulnerable necessarily involves strengthening our joint commitment with states. EPA will work with states, tribes and local governments to strengthen the consideration of environmental justice in compliance and enforcement programs by environmental regulators at all levels. We also will work with our partner agencies to identify the most effective solutions to violations that pose the greatest environmental and public health concerns in overburdened communities.

Action 2.1: EPA will work with co-regulators to build an environmental justice community of practice on enforcement and compliance issues.
We will work with our co-regulators to share experiences and learn from each other about incorporating environmental justice into our respective enforcement and compliance efforts. Among other things, EPA will: (a) solicit and share examples of best state and federal practices, standard operating procedures, trainings, tools, case studies, and policies and guidance that advance environmental justice through enforcement and compliance; and (b) facilitate joint learning by federal and state, tribal and local enforcement staff on how and when to consider overburdened communities when undertaking enforcement activities.

Action 2.2: EPA regional offices will engage each year in joint planning and targeting with the states in their region to collaborate and leverage limited resources as we pursue compliance and enforcement activities in the nation's most overburdened areas.
Discussions will include implementation of National Enforcement Initiatives and will utilize, for example, EJSCREEN, tips and complaints systems, and information learned through community engagement.

Action 2.3: EPA will improve coordination with tribes to target enforcement and compliance activities in Indian country.
EPA will use EPA Tribal Environmental Plans (ETEPs) to identify and share tribal and EPA program priorities and roles and responsibilities. In addition, EPA will work with the Regional Tribal Operations Committees and use EJSCREEN, tips and complaints systems, and information learned from community engagement, among other things, when working with tribes.

Strategy 3: Strengthen communication so enforcement cases can benefit from the knowledge of local communities, and empower communities with information about pollution and violations that affect them.

Action 3.1: EPA will empower communities with information about pollution and violations that affect them.
We will increase the number of EPA enforcement settlements negotiated each year that incorporate environmental monitors and/or transparency tools (*e.g.*, web posting of data), in accordance with EPA's 2015 policy on the *Use of Next Generation Compliance Tools in Civil Enforcement Settlements*, with the goal of doubling the total annual national number achieved in FY 2015 by the end of FY 2020.

Action 3.2: EPA will strengthen communication with communities (including members of the public with limited English proficiency) on enforcement and compliance work that affects them.
We will enhance efforts to share information and seek input about EPA's enforcement and compliance program and activities, as appropriate. For example, EPA will make improvements to its Enforcement and Compliance History Online (ECHO) data tool, which provides publically available compliance and enforcement information for regulated facilities nationwide. Specifically, EPA will expand ECHO to include: 1) more criminal enforcement data to increase transparency and information to communities, and 2) an EJSCREEN-based flag to assist ECHO users to search for facilities located in potentially overburdened areas.

MEASURES

- Percent of enforcement actions initiated by EPA in overburdened communities.
- Number of community-based compliance and enforcement strategies focused in the most overburdened communities.
- Number of EPA enforcement settlements negotiated each year that incorporate environmental monitors and/or transparency tools.

EJ 2020 Executive Summary

May 18, 2016

Clean water and clean air don't just happen, especially in low-income and minority communities. These are essential resources that we have to invest in protecting and that starts with communities, cities, states and tribes. This problem isn't easy. We won't fix it overnight. It's only when we work together that we will be able to deliver these basic rights to every American, no matter who they are, where they live, or how much money they make. Everyone deserves to have their health protected from environmental exposures.

Administrator Gina McCarthy

INTRODUCTION

The EJ 2020 Action Agenda (EJ 2020) is the U.S. Environmental Protection Agency's (EPA) strategic plan for environmental justice for 2016-2020. EJ 2020 will build on the foundation established by EPA's previous plan, Plan EJ 2014, as well as decades of significant environmental justice practice by the Agency, communities and our partners.

VISION

By 2020, we envision an EPA that integrates environmental justice into everything we do, cultivates strong partnerships to improve on-the-ground results, and charts a path forward for achieving better environmental outcomes and reducing disparities in the nation's most overburdened communities. Achieving this vision will help to make our vulnerable, environmentally burdened, and economically disadvantaged communities healthier, cleaner and more sustainable places in which to live, work, play and learn.

GOALS

We will achieve EJ 2020's vision through three goals. Each goal, its priority areas, along with examples of key actions, are outlined below.

Goal I: Deepen environmental justice practice within EPA programs to improve the health and environment of overburdened communities.

This goal will focus on four areas: (1) Rulemaking, (2) Permitting, (3) Compliance and Enforcement, and (4) Science.

- Institutionalize environmental justice in rulemaking through implementation of guidance, training, monitoring, evaluation and community involvement, including rigorous assessments of environmental justice analyses in rules.
- Establish a framework and tools for considering environmental justice in EPA-issued permits and design, and implement a process for "joint learning" with regulatory partners on incorporating environmental justice into permitting.
- Direct more enforcement resources to address pollution and public health burdens caused by violations of environmental laws in overburdened communities, increase compliance evaluations, enforcement actions and settlements that benefit those communities, and conduct community-based compliance and enforcement strategies in 100 of the most overburdened communities.
- Routinely analyze, consider and address environmental justice issues in all appropriate EPA rulemaking, permitting and enforcement actions.
- Routinely use best practices for meaningful community engagement.
- Implement the EJ Research Roadmap to develop tools that provide a stronger scientific basis for action to address environmental justice and cumulative impact issues, conduct research that informs cumulative risk assessment, and develop innovative tools for monitoring and controlling environmental contamination.

Goal II: Work with partners to expand our positive impact within overburdened communities.
This goal will focus on four areas: (1) States and Local Governments, (2) Federal Agencies, (3) Community-Based Work, and (4) Tribes and Indigenous Peoples.

- Work with states and local governments to develop and implement a phased approach to building on-the-ground collaborations, identifying best practices, supporting peer-to-peer learning, and fostering cross-program planning, and establish shared expectations through Performance Partnership Agreements and other planning and accountability mechanisms.
- Advance environmental justice within federal agencies through the Interagency Working Group on Environmental Justice, with emphasis on strengthening consideration of environmental justice in the National Environmental Policy Act process and addressing impacts from commercial distribution of freight (goods movement).
- Support communities' day-to-day needs through best practices for community-based work currently employed by the agency, including community revitalization efforts.
- Implement the EPA policy on environmental justice for working with federally recognized tribes and indigenous peoples.

Goal III: Demonstrate progress on significant national environmental justice challenges.
This goal will focus on four areas: (1) Lead Disparities, (2) Drinking Water, (3) Air Quality, and (4) Hazardous Waste Sites.

- Work to eliminate disparities in childhood blood lead levels. EPA will convene partners to identify geographic areas with the greatest lead exposures, reduce sources of lead contamination, and take national action to reduce lead in drinking water.
- Work to ensure all people served by community water systems have drinking water that meets applicable health based standards. We will place special emphasis on addressing drinking water challenges in underserved communities.
- Achieve air quality that meets the fine particle pollution national ambient air quality standards for all low-income populations as soon as practicable and no later than the statutory attainment date.
- Reduce human exposure to contamination at hazardous waste sites, with emphasis on minority, low-income and vulnerable communities.

EPA will: (1) deploy a suite of programs, actions and measures in these areas; and (2) evaluate progress, enhance measures as appropriate, and explore the development of a few additional national environmental justice measures and associated strategies.

WHAT'S IN EPA'S EJ 2020 ACTION AGENDA

EJ 2020 is EPA's EJ plan of action that will involve every EPA office and region. EJ 2020 consists of eight priority areas and four significant national environmental justice challenges; each of these has its own section in this document, laying out the agency's objectives, the plan for achieving them, and how we will measure success. EPA expects to periodically review and, as appropriate revise, the actions we undertake to meet these goals. Every national program and region has assumed the responsibility of co-leading at least one of the plan's priority areas; leadership responsibilities are included in each section.

CONCLUSION

Over the next five years, EPA will advance environmental justice to a new level and make a more visible difference in the environmental and public health landscape. Strengthening our collaborations with the communities we serve, our governmental partners and interested stakeholders will be key to achieving this vision.

Draft Guidance on Progress Tracking Metrics, Long-term Strategies, Reasonable Progress Goals and Other Requirements for Regional Haze State Implementation Plans for the Second Implementation Period

Public Informational Webinar Presentation

Corrected August 1, 2016 (slide 23)

You can get more information at http://www.epa.gov/visibility.

Goals for this Webinar

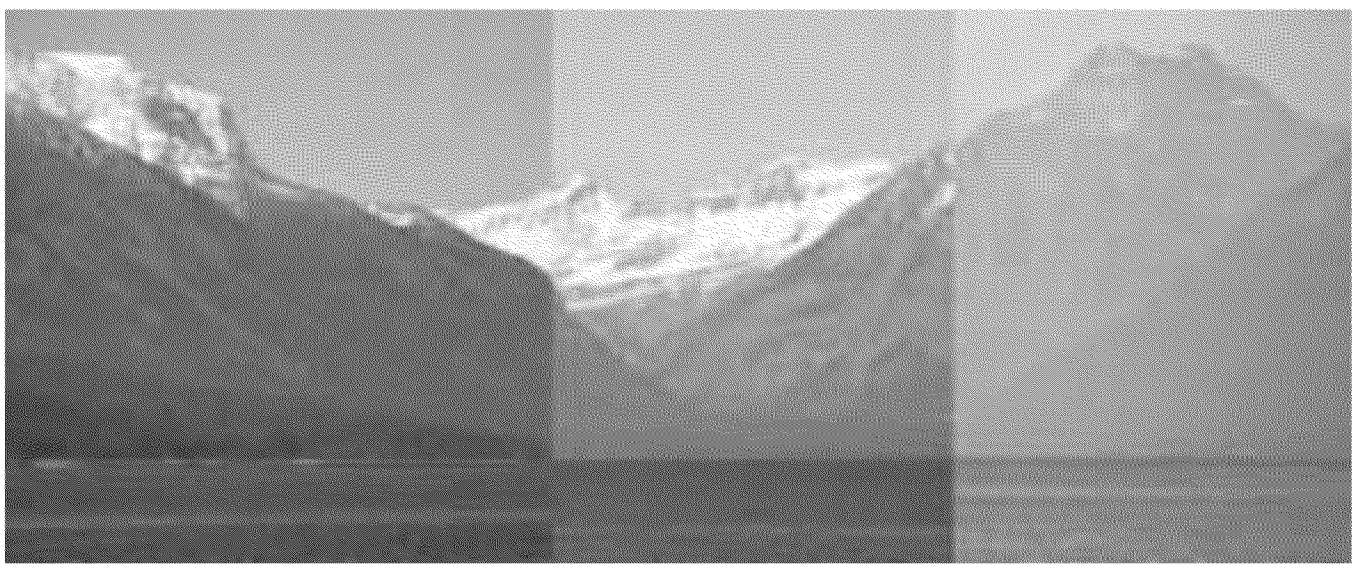
- Introduce and walk through the draft guidance document at a high level.
- Give more detail on several aspects.
- Answer clarifying questions (via the questions/comments box in the webinar window on your computer).
- We welcome all your comments on the draft guidance document by August 22. Please use www.regulations.gov (Docket EPA-HQ-OAR-2016-0289) to submit your comments.

Outline for this Webinar

- Purpose of the draft guidance document.
- Background on the visibility protection program, as context for commenting on the draft guidance document.
- Section-by-section summary of the draft guidance document, with more detail on two particular topics:
  - Ambient data analysis (i.e., progress tracking metrics) aspects. (Section 5)
  - How a state should decide what measures are needed for reasonable progress and must therefore be in the long-term strategy (LTS) portion of the SIP revision. (Section 8)
- How to comment.
- Q&A.

Regional Haze and Visibility Impairment

- The Regional Haze program is based on Clean Air Act (CAA) sections 169A and 169B, which set a national goal of restoring natural visibility conditions in 156 mandatory Federal Class I areas.
- *Regional haze* means visibility impairment that is caused by the emission of air pollutants from numerous sources located over a wide geographic area.
- *Visibility impairment* means any humanly perceptible difference between actual visibility conditions and natural visibility conditions.



Purpose of the Draft Guidance Document

- When final, this guidance document is intended to:
  - Provide explanation of key conceptual and policy issues that apply to regional haze state implementation plans (SIPs) for the second implementation period, proposed to be due in 2021.
  - Provide EPA recommendations on how states should address these issues.
  - Fully explain the (draft) EPA recommendation on how to estimate anthropogenic impairment on individual days, and how to estimate natural visibility conditions for the purpose of the 2064 end point of the glide path.
  - Communicate several key EPA interpretations from the first planning period.
  - Clarify which other previous EPA guidance is superseded and which continues to apply.
  - Be an information resource for state staff who were not involved in the 1st cycle of SIPs.

The Context for the Draft Guidance
History of EPA Rules and Guidance

- EPA has issued three major rulemakings on visibility protection, codified in 40 CFR 51.300-309.
  1. 1980 rule on Reasonably Attributable Visibility Impairment (RAVI).
  2. 1999 Regional Haze Rule.
  3. 2005 Best Available Retrofit Technology (BART), BART Guidelines, and CAIR Better-than-BART Rule (updated in 2012 to replace CAIR with CSAPR).
- The CAA and the EPA rules list four factors that a state must consider when determining what additional emission control measures are needed for reasonable progress:
  1. Costs of compliance.
  2. Time necessary for compliance.
  3. Energy and non-air quality environmental impacts of compliance.
  4. Remaining useful life of any potentially affected sources.
- EPA has previously issued four guidance documents on regional haze.
  1. 2003 Natural conditions guidance.
  2. 2003 Progress tracking guidance.
  3. 2006 Additional Questions and Answers, revised.
  4. 2007 guidance on setting reasonable progress goals. (When final, the new guidance document will completely replace this 2007 guidance.)
- EPA has approved many SIPs based on the 2005 "NC-II" Committee report on natural conditions instead of on the 2003 EPA guidance.

Context for the draft guidance document, cont. *May 4, 2016, proposal to amend 40 CFR 51.300-309*

- Revise the next SIP deadline, from July 1, 2018, to July 1, 2021.
- Revise/add definitions of key terms.
- Two alternative proposals regarding which days are used to track the "worst visibility days."
    1. Require all states to switch from the 20 percent haziest days (used in the first implementation period) to the 20 percent most anthropogenically impaired days. This approach de-emphasizes impacts from large fires and dust storms.
    2. Allow each state to pick which of the approaches to use.
- Clarify that the uniform rate of progress (URP) line connects 2000-2004 to 2064 (rather than connecting the most recent 5-year period to 2064).
- Administrator option to approve adjustment of the URP line for international and prescribed fire impacts.
- Clarify that each state must first decide what measures are needed for reasonable progress at affected Class I areas. Then, the state with the Class I area must set the reasonable progress goals (RPGs) to be equal to the predicted future visibility outcome of those measures.

Context for the draft guidance document, cont. *May 4 proposal, continued*

- Other clarifications and changes related to the long-term strategy (LTS) and RPGs:
  - Clarify that the requirement for "an improvement" on the 20 percent most impaired days is relative to 2000-2004.
  - Clarify that the requirement for "no degradation" on the 20 percent clearest days is relative to 2000-2004.
  - Revise phrasing of the requirement for documentation of the state analysis.
  - Require the state to show that there are no other measures needed for reasonable progress, if the long-term strategy results in the RPG for the worst days being above the URP line.
- Changes to the requirement for the state to consult with the FLM.
- Changes to progress report requirements and schedule.
- Changes to the RAVI provisions.
- **The draft guidance document assumes these proposed rule revisions will be made final. However, if public comments lead to any changes for the final rule, the final guidance document will be consistent with the final rule.**

Organization of the Draft Guidance Document

- Sections 1-3: History of the CAA, regulatory and guidance provisions on regional haze, steps in SIP development and roadmap for the document.
- Section 4: Overarching Issues.
- Sections 5-11: A separate section for each of seven steps a state will take to develop its SIP revision. Next slide provides an overview.
- Appendices (one-half of the document)
  - A – Finer detail on the seven steps in SIP development.
  - B & C – EPA actions on SIPs and Circuit Court decisions in the 1st implementation period.
  - D, E, & F – Relevance of specific aspects of three previous EPA guidance documents and the BART Guidelines.
  - G – Relevant excerpts from 40 CFR 51.308 (in this draft version of the guidance document, these excerpts are as proposed in the NPRM).

The Scope of Sections 5 - 11

Section 5	**Ambient data analysis** – Quantify baseline, current and natural conditions of visibility and the uniform rate of progress that would achieve natural conditions in 2064.
Section 6	**Screening of sources** – Identify the pollutants and emission sources for which full reasonable progress analysis will be completed and explain why it is appropriate to limit the full analysis to only these sources.
Section 7	**Source and emission control measure analysis** – Identify potential additional emission control measures for sources selected in the screening step and develop data on the four statutory factors, visibility impacts and other factors that must be considered and visibility benefits if they will be considered.
Section 8	**Decisions on the content of the LTS** – Consider applicable factors and decide on new emission controls for incorporation into the long-term strategy.
Section 9	**Regional scale modeling** – Model the LTS along with other practicably enforceable measures that will reduce visibility impairment, to set the RPGs for 2028.
Section 10	**Progress, degradation and glidepath checks** • Demonstrate that there will be progress on the 20 percent most impaired days. • Demonstrate that there is no degradation on the 20 percent clearest days. • Compare the 2028 RPG for the 20 percent most impaired days to the 2028 point on the URP line (the glidepath) and if required provide additional justification for the reasonableness of the RPG. Revise the LTS if additional measures are identified as necessary for reasonable progress.
Section 11	**Other requirements for SIPs** – Provide additional information necessary to ensure that other requirements of the Regional Haze Rule are met.

Section 4 – Overarching Issues
Overview

4.1. Screening sources prior to the four-factor analysis and deferring some sources to later implementation period

4.2. Considering visibility impacts and benefits when screening sources and conducting the four-factor analysis

4.3. Focusing on the 20 percent most impaired days

4.4. Determining the measures “necessary to make reasonable progress”

4.5. The Relationship between the LTS and the RPGs

4.6. Comparing the RPGs to the URP

4.7. Documentation

4.8. Consultation

Section 4 – Overarching Issues, cont. *Recommendation on Consideration of Visibility*

- A state may, but is not required to, consider visibility impacts and benefits when screening sources and conducting the four-factor analysis of emission reduction measures.
  - Baseline visibility impacts and prospective visibility benefits are not a "fifth factor" that states must consider when determining reasonable progress.
  - States may consider visibility in addition to the four statutory factors when making their reasonable progress determinations, as long as they do so in a reasonable fashion.
- EPA recommendation:
  - States should consider visibility impacts when screening sources and source categories.
  - States should not consider visibility benefits after the screening step.

Section 4 – Overarching Issues, cont. *Alternate Approaches for Consideration of Visibility*

- First alternative approach – Like the recommended approach, but without a screening step.
- Second alternative approach – After screening, a state would consider visibility benefits along with the four statutory factors

Section 5. Ambient Data Analysis *Overview*

- The draft document assumes a state is using the 20 percent most anthropogenically impaired days as the "worst days."
  - The key issue is then how to separate PM light extinction on a given day between natural and anthropogenic causes.
- The draft document presents draft recommendations for analyzing IMPROVE data in a new way to make this separation.
- It is a purely mechanical process to apply the approach to a particular Class I area.
- The draft document (with the TSD) shows the outcomes for the recommended approach for every Class I area, through 2014.

Section 5. Ambient Data Analysis, cont.

Separating Natural and Anthropogenic Causes of PM Species

- For each Class I area, find the year between 2000-2014 that was least affected by fire, specifically by finding the lowest annual 95th percentile 24-hour light extinction due to carbon PM (and dust PM). (Same for dust.)
- The light extinction above this level on any day is assumed to be due to extreme/erratic wildfire and is considered natural. (Same for dust.)
- A portion of the remaining 24-hour light extinction is taken to be due to "routine" natural causes.
  - The recommended assumption for the level of "routine" natural PM light extinction varies by season, and is picked so that the annual average is equal to the NC-II annual average natural conditions.
- The rest of the 24-hour light extinction is taken to be due to anthropogenic causes.

Section 5. Ambient Data Analysis, cont.

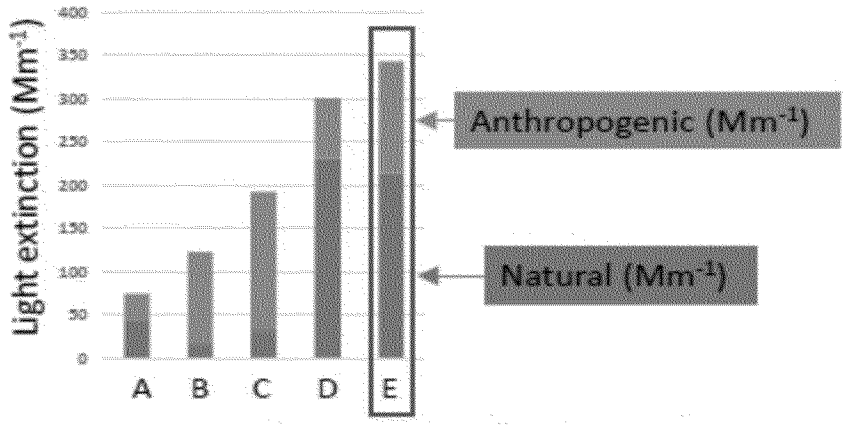
Separating Natural and Anthropogenic, continued

- Some aspects of interest:
  - No replacement of data with default values or data from other days or other Class I areas.
  - Each Class I area has unique carbon PM and dust thresholds for identifying extreme events. (See Figures 4 and 5 in the TSD and "CarbonMinBext95" and "DustMinBext95" in the data spreadsheet.)
  - No grouping of Class I areas into regions such that one area's data would influence the outcome for another area.
- Suggestions for refinements, or alternatives, are welcome.
- Whatever the final EPA recommendations:
  - EPA and/or the IMPROVE program will do the calculations on a routine basis, as the IMPROVE program does now.
  - States can take another approach to splitting between natural and anthropogenic light extinction, with justification.

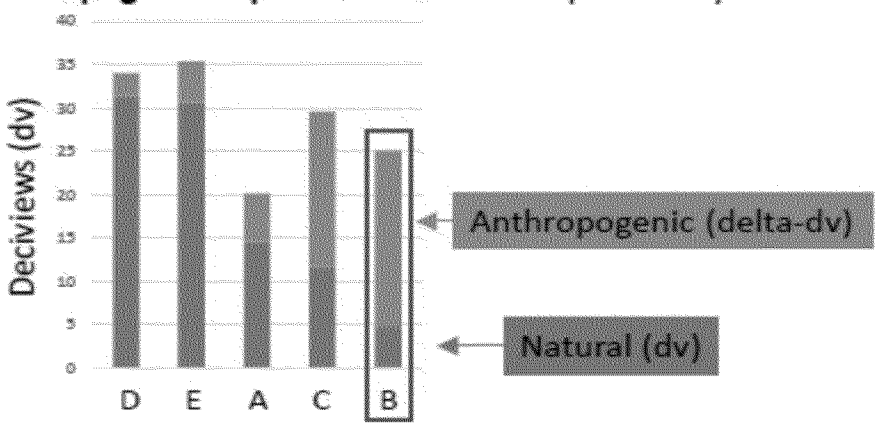
Section 5. Ambient Data Analysis, cont.

Haziest Days vs. Most Impaired Days

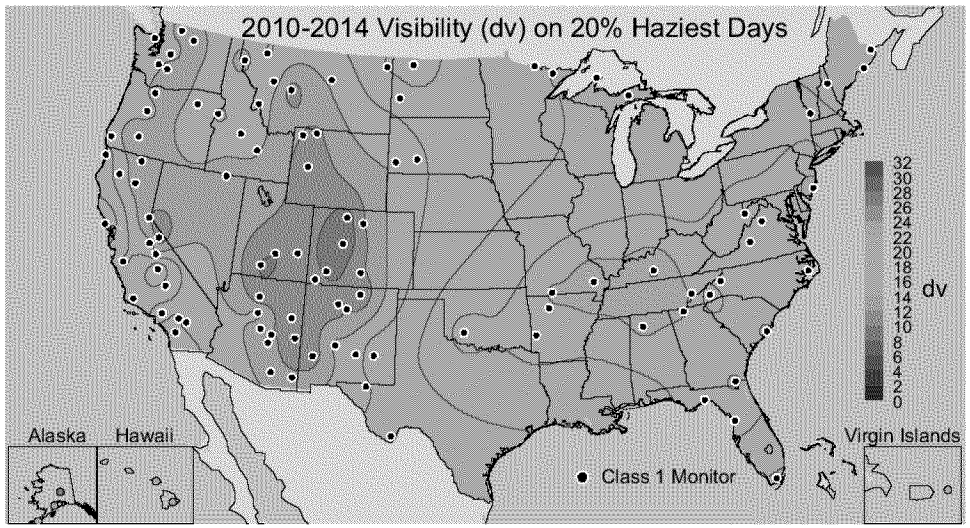
First Implementation Period Approach: select days with **highest light extinction** as most impaired days



New, Recommended Approach: select days with **most anthropogenic impairment** as most impaired days

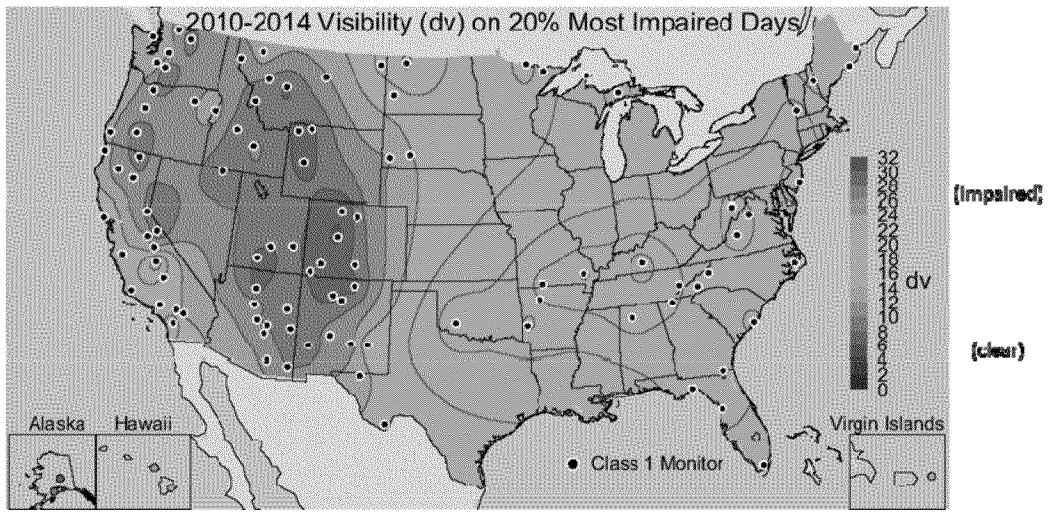


Section 5. Ambient Data Analysis, cont.
Results – Visibility in 2010-2014

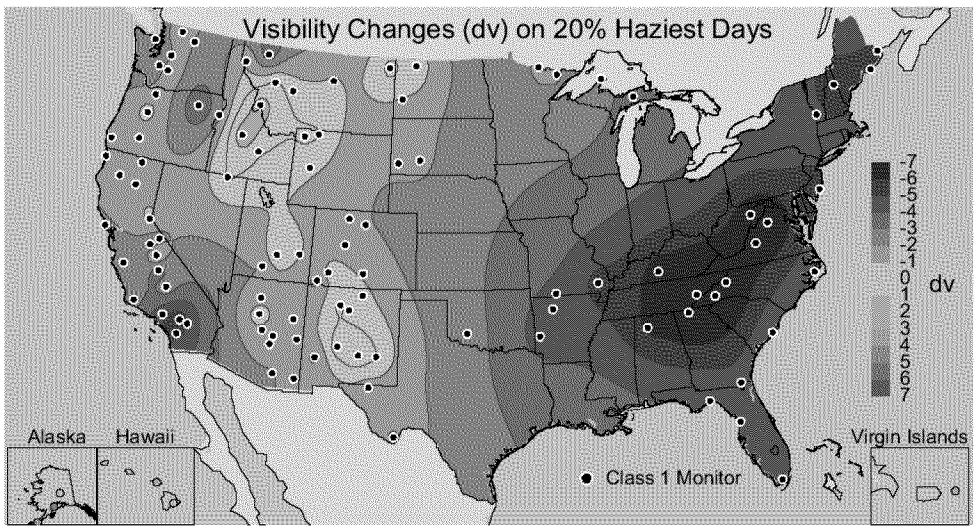


Old Approach
- 20% haziest days

New Recommended Approach
- 20% most impaired days

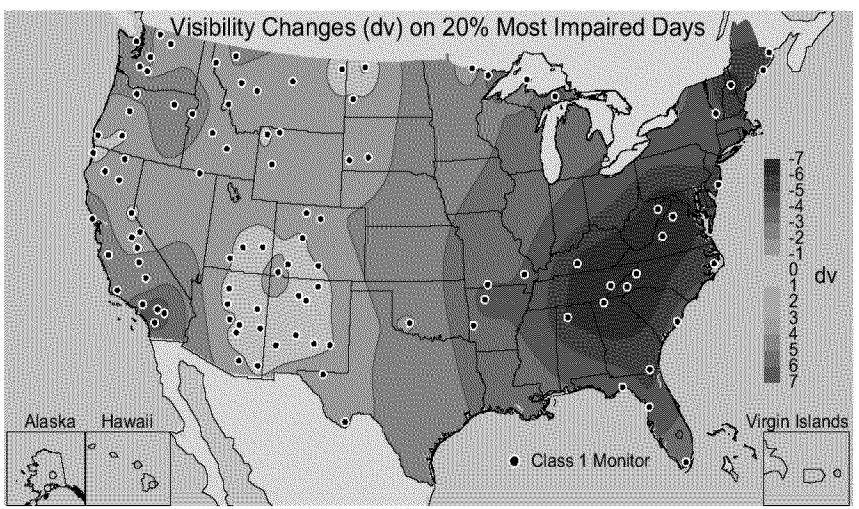


Section 5. Ambient Data Analysis, cont.
Results – Progress over 10 Years

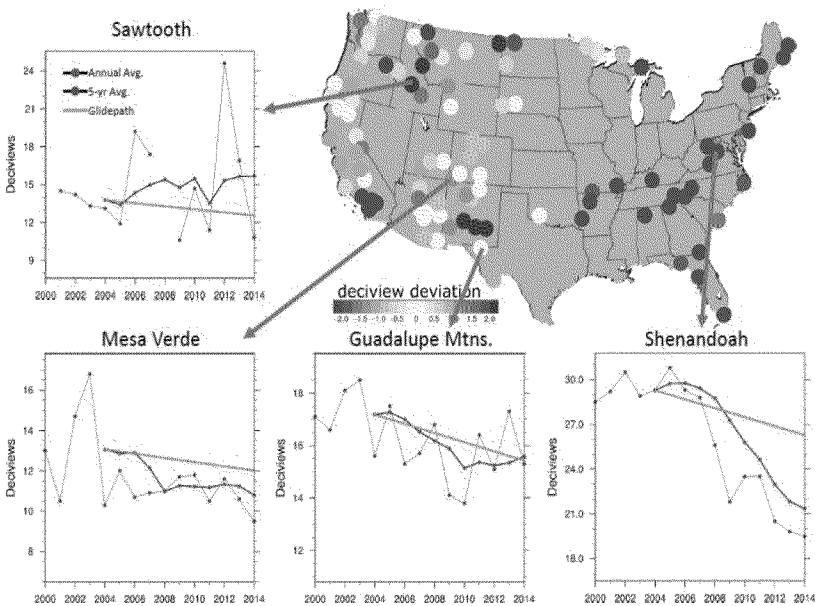


Old Approach
- 20% haziest days

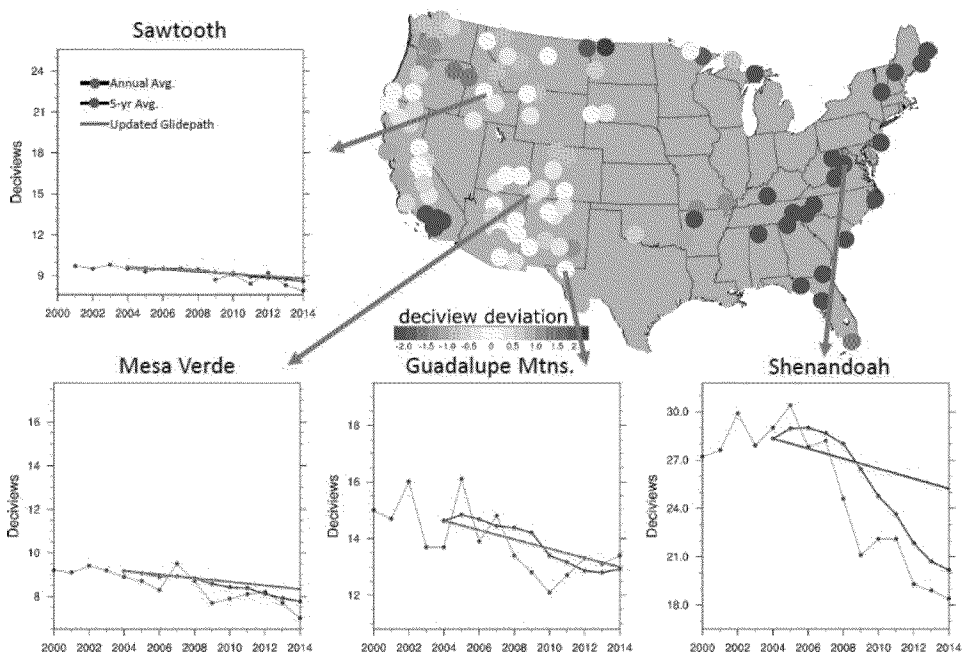
New Recommended Approach
- 20% most impaired days



Section 5. Ambient Data Analysis, cont.
Results – 2014 Glidepath Comparisons



Old Approach
- 20% haziest days
- NC-II in 2064



New Recommended Approach
- 20% most impaired days
- New approach for 2064

Section 6 - Screening of sources
Basic Concepts

- A state may screen sources and defer some sources to later implementation periods.
  - To "screen a source in" or to "bring a source forward" means to select it for four-factor analysis of possible emission control measures, based on its baseline visibility impacts.
- Because screening is based on visibility impacts at Class I areas, the state must first establish which Class I areas are affected by sources in the state.
- A particular PM species and its precursors can be eliminated based on the extinction budget(s) for these area(s).

Section 6 - Screening of sources, cont.
Which Visibility Impacts Should Matter?

- When screening sources, a state should focus on impacts on the 20 percent most impaired days.
  - EPA recommends that a state bring forward a source based on the source's highest visibility impact on any day within this group of days.
  - EPA also recommends that screening consider the average visibility impact across this group of days.
  - Also, if a state considers visibility benefits of possible controls, the state should similarly focus on the benefits on this group of days.
- However, states should consider visibility impacts and benefits on days outside this group of days if they are significant and would affect the state's decision making.
- EPA is recommending that a state take a 2028 perspective when it screens sources.

Section 6 – Screening of sources, cont.
Other Recommendations

1. Quantify visibility impacts from sources and groups of sources
   - Methods for estimating/approximating visibility impacts.
   - Source aggregation issues.
2. Choose and apply screening criteria
   - Screening based on other factors.

- EPA recommends that screening go "deep enough" to bring forward a large ~~majority~~ fraction (e.g., 80 percent) of the impacts from in-state stationary sources.
- Special points about screening for particular source types
  - Many small sources that could present implementation challenges.
  - Sources not within state authority.
  - Wildland fire (one-stop discussion of fire-related aspects).
  - Other natural sources.

Section 7 - Source and emission control measure characterization

- What measures should be considered for a given source?
- Establishing the facts about the four factors for those measures.
- Recommendations regarding using factual information from earlier work.
- Applicability of prior EPA guidance about how to establish the facts (appendices D, E, & F).
- States should consider information presented in FLM or public comments.

Section 8 – Decisions on the content of the LTS

Overview

- Sections 8.1 and 8.2 have relevant recommendations for the two very different approaches to consideration of visibility benefits.
- Under either approach, “States must use reasoned decision making and give due consideration to well-developed factual information and public comments.”
- Sections 8.3 – 8.9 are relevant to both approaches.

Section 8.1 – Recommendations for states following EPA's recommendation to not consider visibility benefits

- After the screening step, a state should not reject a measure if the cost of compliance is within the range of reasonableness.
- EPA recommends that a state adopt the most effective control measure within the range of reasonableness, based on consideration of only the four statutory factors.
  - The state should not use the information regarding a source's visibility impacts developed at the screening stage in evaluating the four factors.
  - Cost of compliance will often be the most critical factor.
- Cost/ton comparisons to past regulatory decisions for the same type of source, by EPA or a state, are a guide to whether the cost of compliance is within the range of reasonableness.
- Also addressed:
  - Recommendations on source aggregation issues when deciding on what measures are needed for reasonable progress.
  - Consideration of the viability of continued source operation.

Section 8.2 – Recommendations for states choosing to consider visibility benefits

- "[S]tates may determine *in the second implementation period* that the costs of compliance associated with a given control measure outweigh the visibility benefits of that measure and not include the measure in the LTS without contradicting the national goal."
  - Do not reject a measure merely because its visibility benefit is not perceptible.
  - When considering visibility benefits along with the four statutory factors, consider the whole distribution of daily visibility benefits.
  - EPA does not recommend use of a cost/deciview metric.
  - Benefits at multiple Class I areas should be considered, but do not compare cumulative benefits to a perception threshold.
  - For the step that involves weighing the four factors and visibility benefits, these states should consider only past decisions in the visibility protection program that involved weighing the four factors and visibility benefits.
- States choosing this approach are not required to adopt a measure that is unreasonable assuming visibility benefits are not considered. See Section 8.1.
- "[This approach] presents considerable technical challenges."
- Also addressed:
  - Recommendations on source aggregation issues when deciding on what measures are needed for reasonable progress.
  - Consideration of the viability of continued source operation.

Sections 8.3 – 8.9
Recommendations common for all states

- Consideration of the three statutory factors other than cost of compliance.
- Special considerations for small, minor, area, and mobile sources.
- Setting emission limits for the measures that are determined to be needed for reasonable progress.
  - Averaging periods.
  - Startup/shutdown considerations.
  - Many parts of the BART Guidelines address this topic, and apply as EPA recommendations going forward.
  - If the technology/measure currently being implemented is determined to be what is needed for reasonable progress, the SIP must have emission limits that effectively require that level of control. The current emission limits may not be adequate.
- Recommendations on setting compliance deadlines.

Section 9 - Regional scale modeling of the long-term strategy to set the RPGs for 2028

- The long-term strategy determines the RPGs, not vice versa.
- EPA's SIP modeling guidance applies, but the current version will be updated to reflect the final rule revisions and final guidance document.
- Once set using regional scale photochemical modeling, the RPGs can be adjusted in simpler ways to capture later changes in the long-term strategy.

Section 10 - Progress, degradation, and glidepath checks

- The Regional Haze Rule requires states to make some progress on the 20 percent most impaired days; there may be no predicted degradation on the 20 percent clearest days.
  - The NPRM proposed that 2000-2004 be the benchmark for both requirements.
- Being "on or below the glidepath" is not a requirement and also is not a safe harbor.
- When the RPG for the 20 percent most impaired days for a Class I area is above the glidepath:
  - NPRM: Each state with sources contributing to the Class I area must show that there are no other measures needed for reasonable progress.
  - Section 10.3 (pages 119-121) of the draft guidance document contains recommendations about how a state may make this showing.

Section 11 – Additional Requirements

- Recommendations regarding "The state must consider [factor X]," when not already addressed.
- SIPs must include certain progress reporting elements.
  - The intention is that between the mid-cycle progress reports and the SIPs, there will be no gaps in the history of progress.
  - No requirement for a declaration by the state of whether the SIP is adequate, as there is for a mid-cycle progress report.
- Monitoring strategy elements.
  - EPA is not expecting SIPs for the second implementation period to have new monitoring provisions.

Appendices

A. Key Steps and Tasks in Developing a Regional Haze SIP

B. EPA Actions on Regional Haze SIPs and Progress Reports for the First Implementation Period

C. Court Decisions on Regional Haze SIPs and Federal Implementation Plans for the First Implementation Period

D. Identification of Provisions of the BART Guidelines that Are Applicable as EPA Recommendations for Reasonable Progress Analysis and Determinations in the Second Implementation Period

E. Identification of Provisions of the Previous Guidance Documents on Natural Conditions and Progress Tracking that Are Applicable as EPA Recommendations for Reasonable Progress Analysis and Determinations in the Second Implementation Period

F. Identification of Answers in the September 27, 2006, Q&A Document that Are Applicable as EPA Recommendations for Reasonable Progress Analyses and Determinations in the Second Implementation Period

G. Relevant Provisions of the Regional Haze Rule (40 CFR Part 51) as Revised in 2016

How to Comment

Comments, identified by Docket ID No. EPA-HQ-OAR-2016-0289, will be accepted until August 22, 2016.

- Please submit comments directly to the docket using www.regulations.gov
- Other submission methods are described at http://www2.epa.gov/dockets/commenting-epa-dockets
- Please do not only email comments to EPA staff.
- We do appreciate getting a copy of your submitted comments by email, particularly if you have submitted near the deadline.

For More Information

- This draft guidance document and other background information are also available electronically at http://www.regulations.gov, or on EPA's Visibility and Regional Haze web site at http://www.epa.gov/visibility.
- For general questions, contact Phil Lorang, telephone (919) 541-5463, lorang.phil@epa.gov.
- For questions about Section 5, contact Melinda Beaver, telephone (919) 541-1062, beaver.melinda@epa.gov.

Questions

Exceptional Event and Ambient Monitoring Updates

2016 State Air Directors Meeting

Denver

August 16, 2016

Richard Payton

Topics

- Exceptional Event Rule Revision
  - Final Rule Status
  - WESTAR Workshop, Denver Nov. 8-9, 2016
- Region 8 FY2016/FY2017 EE Activity
- Ambient Monitoring Revisions
  - 2015 Ozone NAAQS Rule
  - May 2016 Ambient Monitoring and Quality Assurance Revisions
- 2017 Technical System Audit Plans

Exceptional Event Rule Revision

- Final rule package went to OMB for Interagency Review on June 22, 2016
  - Hoping for 60 day review; nominally that would end Aug. 21, 2016
  - Planning for rule signature late August, FR publication mid-September
    - Pending OMB release date
- Key features of proposal
  - Eliminate “but-for” demonstration requirements
  - Eliminate “in excess of historical fluctuations” requirement
  - Place pre-coordination requirements in CFR
    - EPA and States should agree on the significance and need for the demonstration before work begins
  - Relaxation of some schedule requirements
- Important Comments on Proposal from Region 8 States and WESTAR
  - Will need to wait for final rule to see comment responses

Exceptional Events and the 2015 Ozone NAAQS

- 2013-2015 ozone data is relevant to the October 2016 ozone attainment/nonattainment area recommendations
  - Flags on 2013-2015 ozone data were due in AQS by July 1, 2016
  - Demonstrations for 2013-2015 ozone exceptional events impacting recommendations are due to EPA with the October 1, 2016 recommendation
- 2014-2016 data will be complete and certified prior to the EPA 120 day letters (to states 120 days prior to October 1, 2017, or June 2, 2017)
  - Flags and demonstrations on 2016 ozone data due by May 31, 2017*

* Ozone Designation Guidance at https://www.epa.gov/sites/production/files/2016-02/documents/ozone-designations-guidance-2015.pdf

Region 8 Ozone Flags as of August 2016

State	2013 Monitors with Flags	2013 Monitors, Flags impact 4th Max	2014 Monitors with Flags	2014 Monitors, Flags impact 4th Max	2015 Monitors with Flags	2015 Monitors, Flags impact 4th Max	Flags Impact 2013-2015 DV	Flags May Impact 2014-2016 DV	Flags May Impact Attainment/ Nonattainment
Colorado	16	11	6	1	19	11	12	9	3
Montana	0	0	0	0	0	0	0	0	0
North Dakota	0	0	0	0	0	0	0	0	0
South Dakota	0	0	0	0	1	1	0	0	0
Utah	1	1	0	0	4	3	2	3	0
Wyoming	1	0	0	0	0	0	0	0	0

EPA/WESTAR Exceptional Event Workshop

- Denver, November 8-9, 2016
- November 8 here at Region 8, hosted by EPA
- November 9 at the Westin on Lawrence Street, hosted by WESTAR
- Similar Meeting (EPA hosted) in Dallas at Region 6 on November 30, 2016

Region 8 FY 2016 and FY 2017 EE Activity

- FY 2016
  - Concentrated on high wind dust demonstrations in support of the Lamar Colorado PM_{10} ten year maintenance plan update approval
    - Region 8 concurred on 18 demonstrations from 2008, 2012, 2013 and 2014
  - Currently working with the Ute Indian Tribe of the Uintah and Ouray Reservation on a demonstration for stratospheric ozone intrusion on June 8-9, 2015
    - May be critical for Uinta Basin ozone nonattainment area classification
  - Provided letters on backlogged demonstrations to Utah, Colorado, Wyoming and South Dakota, addressing 45 demonstrations from 2008 to 2014
- Plans for FY 2017
  - Demonstration prioritization will depend on EE revision Final Rule
  - Emphasis will be on demonstrations impacting ozone designations
  - Montana limited maintenance plan eligibility will require treatment in a manner similar to EE data

2015 Ozone NAAQS Rule Monitoring Changes

- Lengthened Monitoring Season for all 6 Region 8 States
  - New Monitoring Seasons Effective January 1, 2017
    - Colorado: Add January, February, October-December
    - Montana: Add April, May
    - North Dakota: Add March, April, October
    - South Dakota: Add March-May, October
    - Utah: Add January-April, October-December
    - Wyoming: Add January-March, Drop October

Other Monitoring Changes from the 2015 O_3 NAAQS Rule

- New Photochemical Assessment Monitoring Stations (PAMS) sites in Region 8 by June 1, 2019
  - PAMS plan to Region 8 by July 1, 2018
  - Primarily at NCore in Cities with 1,000,000+ population
    - Denver and Salt Lake City
    - Hourly speciated VOC, 1 day in 3 Carbonyl, hourly O_3, hourly NO, true NO_2 and NO_y, and full MET, including mixing height
  - Location (NCore) can be waived to more useful locations
  - Supplemental PAMS for moderate nonattainment areas and above
    - Supplemental plan due to Region 8 October 1, 2019 or 2 years after moderate designation

Other Monitoring Changes from the 2015 O_3 NAAQS Rule (cont.)

- The Ozone NAAQS rule included Part 53 changes to allow NO chemiluminescence monitors to qualify as FRMs
  - Original ethylene chemiluminescent monitors were no longer available
- Some changes to 8-hour average calculation rules
  - We no longer use data from 8-hour periods beginning between midnight and 6:00 am
  - Therefore, 17 (rather than 24) available 8-hour averages each day
  - Done so that a single day's urban smog does not impact two consecutive days
  - For Region 8, on occasion the highest 8-hour ozone occurs during midnight to 6:00 am hours (last day of winter inversion, or for stratospheric ozone)

2016 Monitoring Rule

- Many changes to QA/QC requirements (40 CFR Part 58, Appendix A)
- Conference calls were held in May with NACAA and AAPCA
- Revisions were a prominent part of the 2016 National Air Monitoring Conference in St. Louis last week
  - Training and presentations will be posted on the EPA AMTIC web site

2016 Monitoring Rule Key Changes

- Appendix A Quality Assurance requirements made applicable to any monitor intended for NAAQS comparison
  - Added direct applicability to tribal and industrial monitors used in this way
- Lowered required gaseous audit levels
  - Lowest level should be 3x method detection limit (MDL)
    - For some instruments with manufacturer stated very low detection limits, that is impractical
    - April guidance memorandum clarified that if very low levels result from 3x MDL, audits anywhere in the lowest Part 58 range would suffice
  - Very low audit levels may require new low concentration calibration standard, and state of the art dilution systems

Region 8 Planned Technical System Audits

- 40 CFR Part 58 requires Region Technical Systems Audits (TSAs) once each 3 years on every PQAO collecting NAAQS comparison data
- Planned audits for 2017
  - Montana
  - North Dakota
- An EPA TSA workgroup is developing TSA guidance for greater Regional consistency on TSAs
  - 2017 audits will be first with the new guidance
  - Regional staff will work with Montana and North Dakota monitoring managers on scheduling and guidance impacts

Questions?

State 105 Allocation Grant Update

STATE AIR DIRECTORS 2016 MEETING

AUGUST 16-17, 2016

Agenda

Clean Air Act §105 Grant Allocation

- ✓ Background and Revised Allocation Basics
- ✓ Approach for FY 2016
- ✓ 2017 Allocation Process
- ✓ Listening Sessions

Background:

CAA §105 Allocation from 1990s – FY 2015

- **Early 1990s – FY 2015:** EPA used the same CAA §105 grant allocation to Regions.
- **Mid 2000s:** Broad realization allocation was outdated and no longer fully reflective of population and air program activities.
- **FY 2006 – FY 2010:** Multi-year effort led by EPA which delivered a revised methodology for allocating CAA §105 grants. Effort included engagement with states and other interested parties.
- **FY 2011**: EPA planned to implement the revised allocation. No Region experience a decline of more than 5% of its prior year funding level.
- **From FY 2011 to FY 2015:** Appropriations report language directed EPA to use historical allocation.

Revised Allocation Basics

- The 2010 revised allocation methodology has four categories and eleven factors.
  - ✓ State Implementation Planning and Implementation
    - PM2.5/Ozone NAAs and w/in 90% of NAAQS, number of NAAs and states
  - ✓ Adequate ambient monitoring network
    - Ambient Monitoring
  - ✓ Air toxics activities and programs
    - Cancer risk, diesel emissions, non-cancer risk
  - ✓ Compliance and oversight activities and programs
    - Number of regulated sources, MACT sources, mobile source programs
- The four broad categories capture the considerations identified in the Clean Air Act for allocating 105 funding: population, air quality, and financial need.

Approach for FY 2016

- FY 2016 Appropriations Act provided "go-ahead" to use the revised allocation methodology.
- Datasets updated where possible.
- First step transitioning to a modern allocation approach.
- *This year, EPA implemented the 2010 revised allocation as follows:*
  - ✓ *All regions receive at least the same level of funding as last year.*
  - ✓ *Regions slated to gain resources using the revised allocation methodology receive modest gains.*
- Region 8 received a 2.05% increase to the Regional allocation.

2017 Allocation Process

- **June 9th** –All States Call
- **Mid to Late June** – Regional Listening Sessions with States
- **Additional Check ins** – During Fall Meetings
- **Fall** – Request for input to FY 2018 – 2019 OAR National Program Manager Guidance including Grant Guidance
- **Fall 2017** – Proposed Allocation Methodology

Listening Sessions

- State Listening Sessions
  - Region 8 Air Directors Session on June 15, 2016
- Input from State Listening Sessions

Considerations for Allocation

- Keep CAA factors in mind: Population, Air Pollution, and Financial Need.
- Desired attributes for allocation methodology:
  - Is as simple and straightforward as practicable.
  - Promotes transparency.
  - Works over time.

Questions

Ozone and PM2.5 Interstate Transport

2008 Ozone NAAQS

For the December 3, 2015 proposed Cross-State Air Pollution Rule (CSAPR) Update, EPA modeled contribution from states to nonattainment or maintenance monitors downwind.

In the CSAPR Update (and multiple previous transport rules focused on the eastern U.S.), EPA determined that states contributing above 1% of the NAAQS to these downwind monitors were "linked."

There were four monitors in Denver that were modeled in the proposed CSAPR Update as either nonattainment or maintenance, and contribution from two Region 8 states were above 1% contribution (linked) to at least one of these monitors.

We approved the interstate transport SIPs for the other four Region 8 states on February 16, 2016, based primarily on the CSAPR Update modeling which showed non-contribution.

We proposed disapproval of one state linked to the Denver contribution on May 10, 2016.

Region 8 and other western Regions are participating in discussions with EPA HQ to determine how to proceed for those states outside of the CSAPR Update modeling domain that are linked to downwind nonattainment or maintenance.

It is undetermined how EPA will address western states for the 2015 Ozone NAAQS, but EPA will likely model contributions for the entire contiguous U.S. again.

Discussion:

- Information to include in interstate transport SIPs going forward.
- Major transport rules like the CSAPR Update, implications for west.

2012 $PM_{2.5}$ NAAQS

These SIPs should be acted on in the next fiscal year, and none contain the types of issues as the 2008 Ozone NAAQS.

SO_2 NAAQS DESIGNATIONS

Data Requirements Rule (DRR)

The DRR applies to all sources above 2,000 tons/year of SO_2, except those designated attainment in the Round 2 (June 30, 2016) designations.

A July 22, 2016 memo lays out DRR deadlines for Round 3 (December 31, 2017) and Round 4 (December 31, 2020) designations:

- January 1, 2017: All new SO_2 DRR monitors must begin operating. Failure to commence monitoring will require sources to be designated by Round 3 via modeling.
- January 13, 2017: Final modeling analyses and updated designation recommendations must be submitted.
- August 14, 2017: EPA sends states 120-day letters.
- August 23, 2017: EPA publishes notice initiating a 30-day public comment period.
- October 13, 2017: States submit additional info in response to 120-day letters.
- December 31, 2017: Designations must be finalized for Round 3.

In 2011, all states submitted designations recommendations in accordance with 107(d). States are not required to submit updated recommendations, but we are inviting states to submit them with updated info so we can make a more accurate designation. Submission of information for the DRR sources is required.

According to the DRR, SO_2 sources can be characterized by:

- Installing and operating an ambient air monitoring network;
- Performing an air dispersion modeling study to characterize the concentration patterns; or
- Establishing an enforceable emissions limit below 2,000 tons/year.

We received all submittals with modeling protocols and/or monitoring network plans by the July 1, 2016 deadline. Thanks!

Characterization of DRR Sources with Modeling

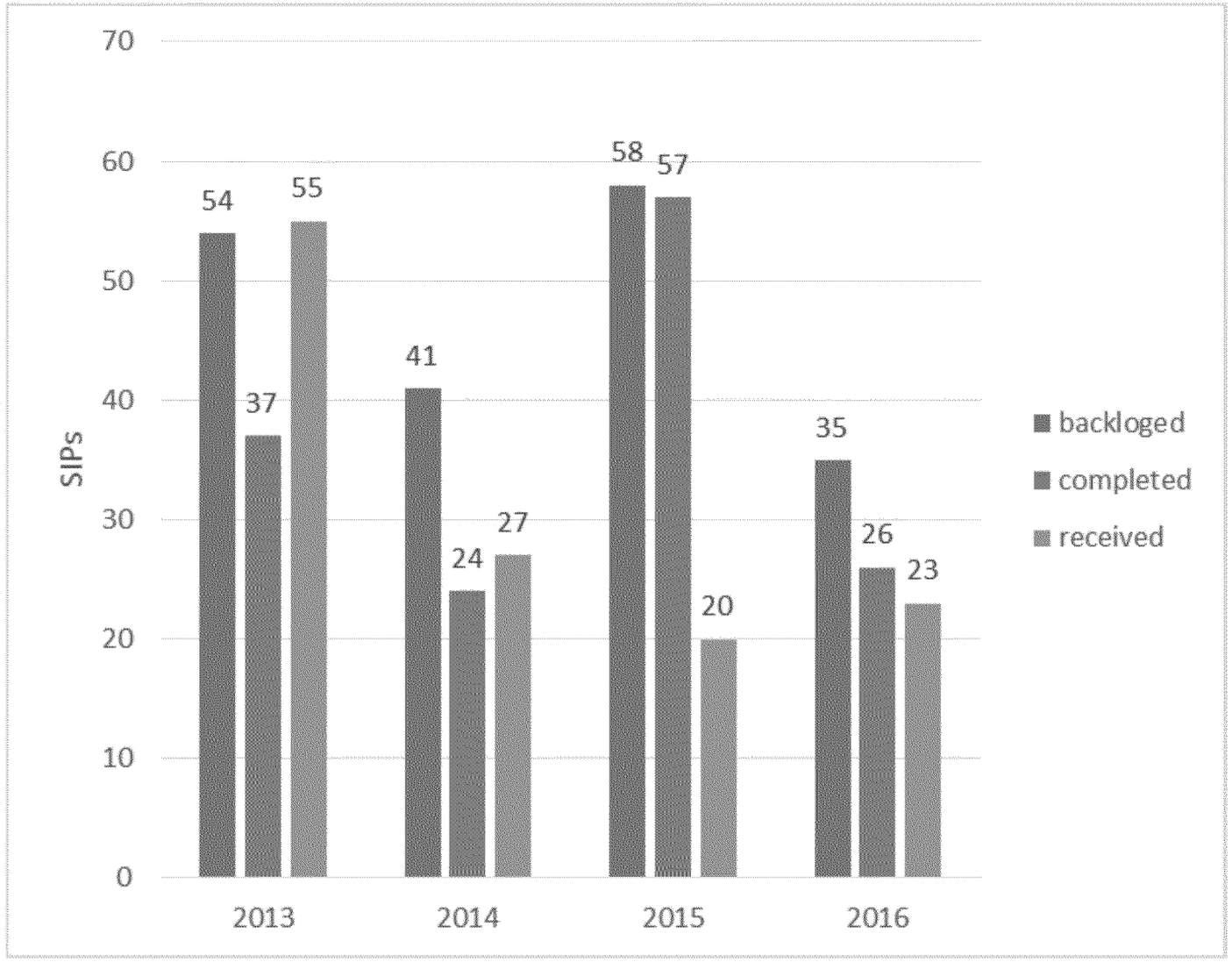
We are currently reviewing protocols, and coordinating with the State Monitoring and Modeling staff to ensure that methodologies align with the DRR and EPA's guidance. We anticipate the completion of our review by the end of September 2016.

Updates to EPA's DRR Guidance:

- Modeling Technical Assistance Document (TAD): Updated this month to clarify receptor exclusions and number of years needed for emissions and meteorology.
- Appendix W Revisions: Final anticipated September/October 2016. EPA will assist states in incorporating any revisions that may impact air dispersion modeling analyses.

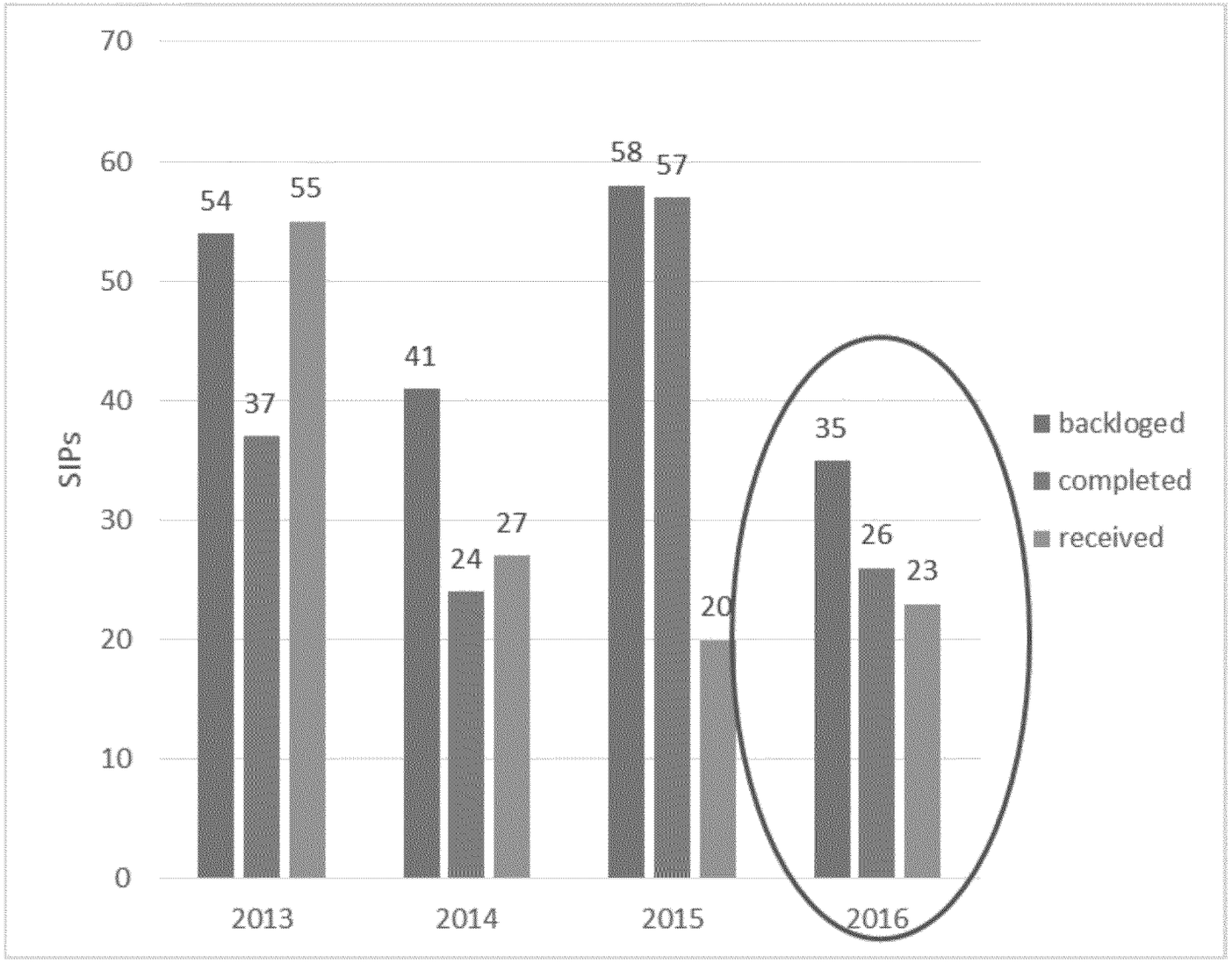
Status of SIPs 2016

State of SIPs: FY 2013 - 2016



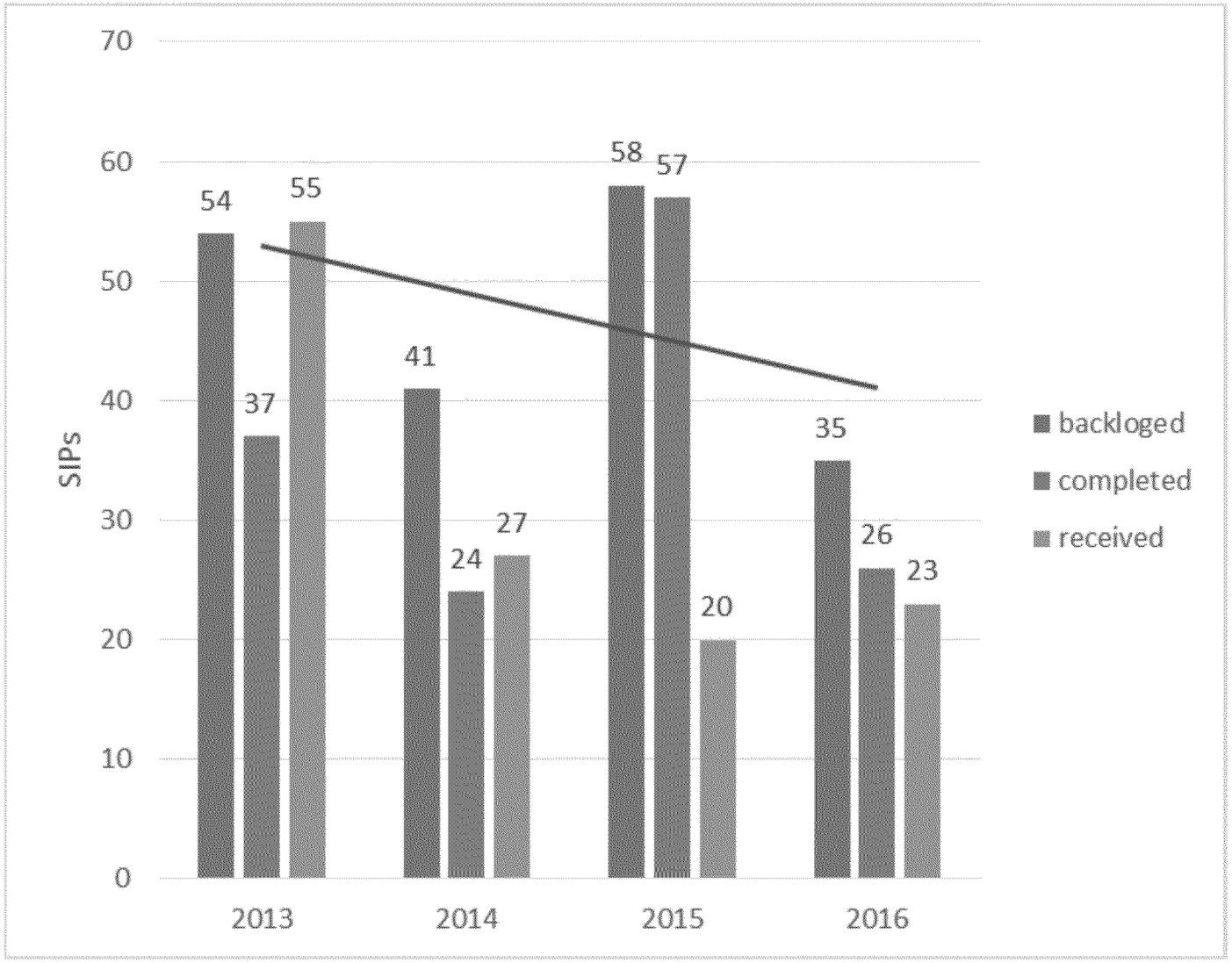
*FY 2016 is As of Aug 9

State of SIPs: FY 2013 - 2016



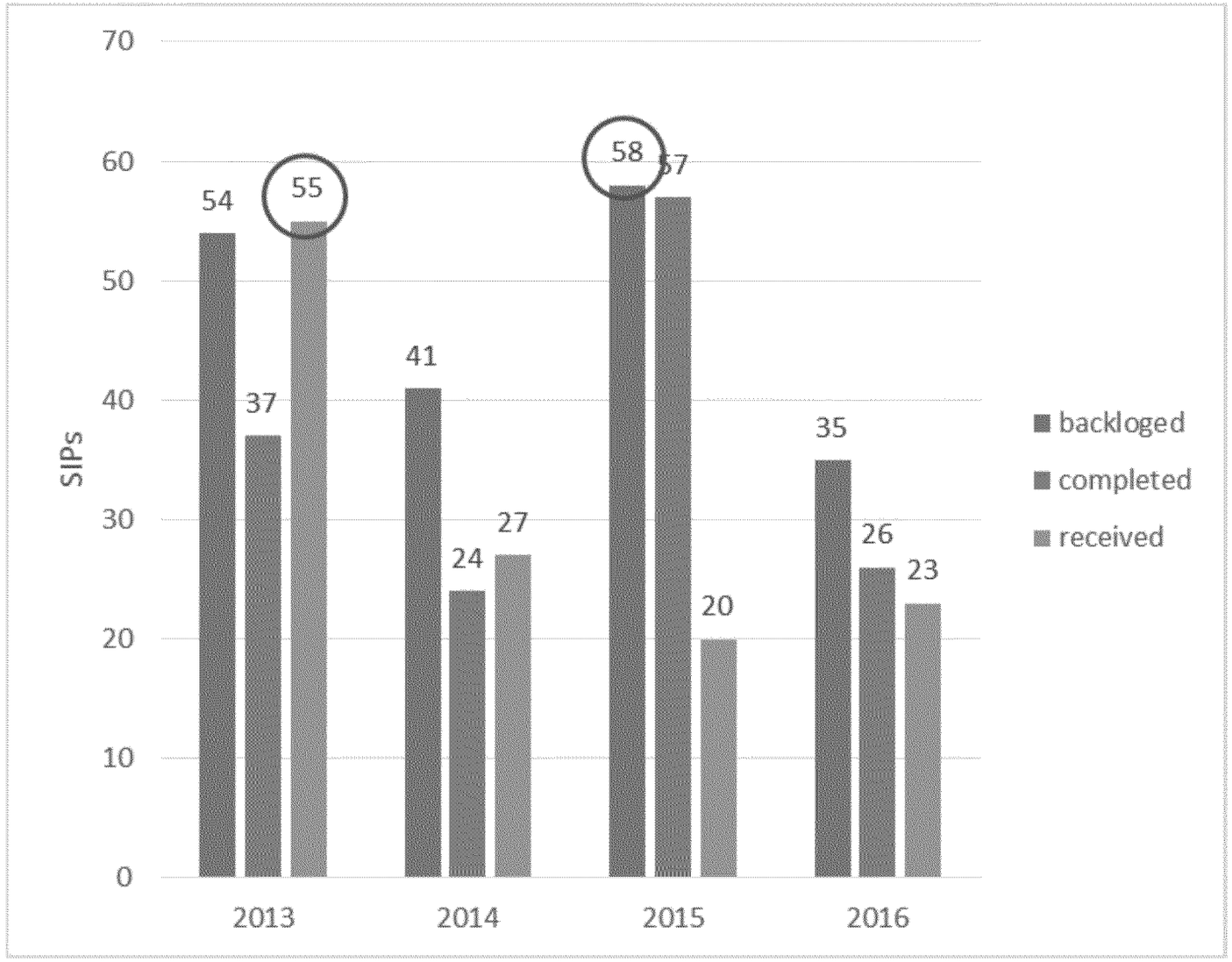
*FY 2016 is As of Aug 9

The backlog is going down



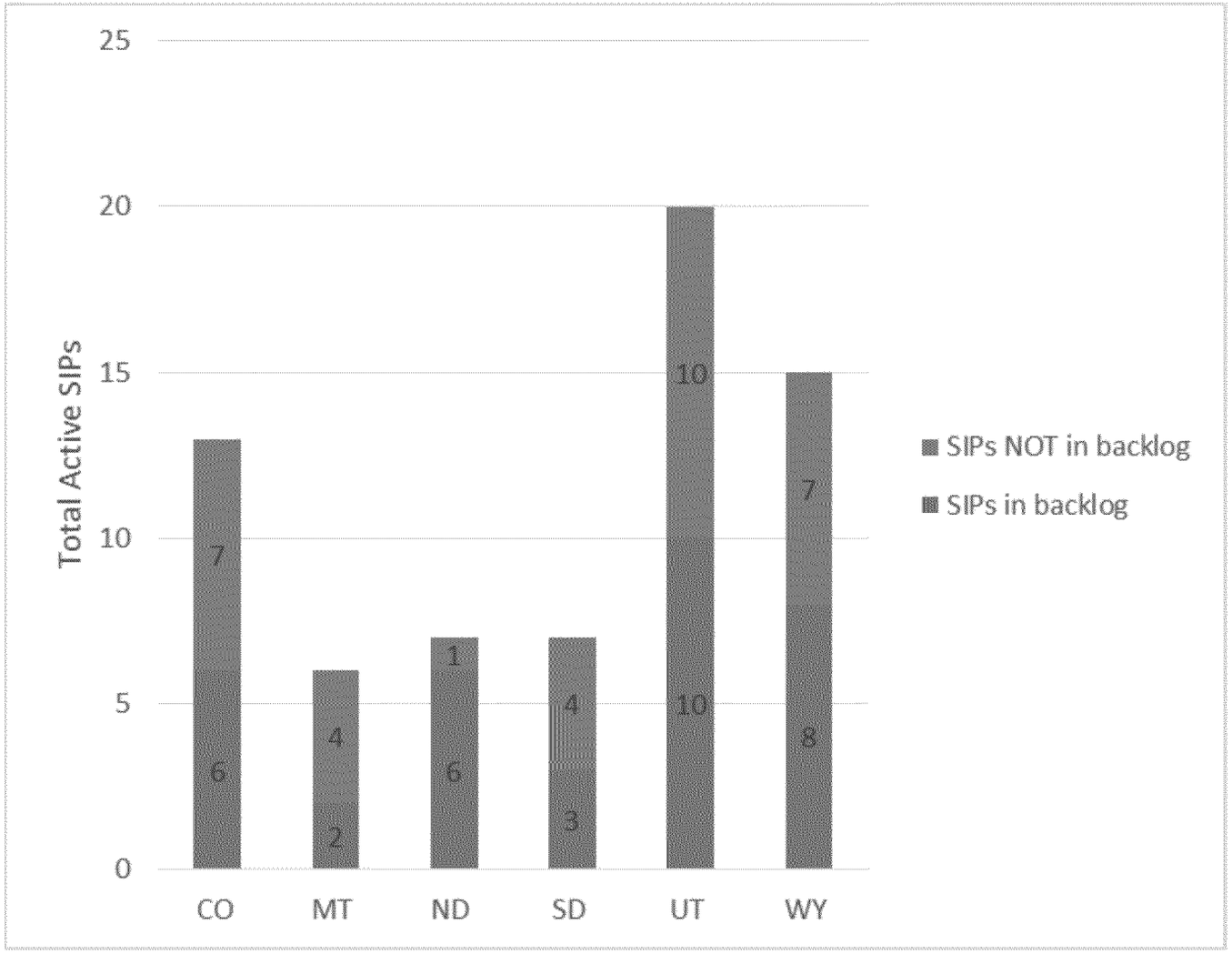
*FY 2016 is As of Aug 9

2013 Received -> 2015 Backlog



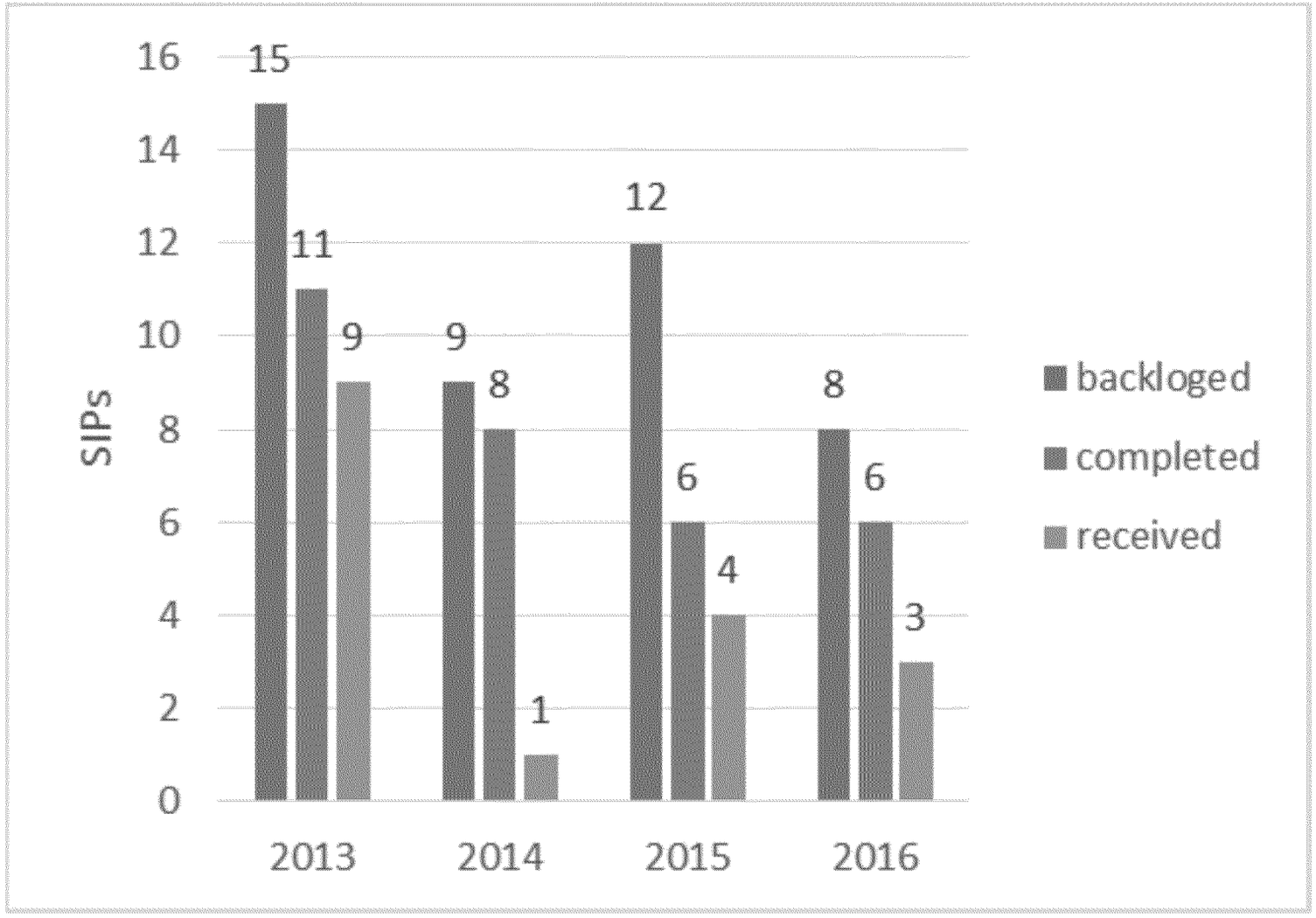
*FY 2016 is As of Aug 9

Backlog ratio as of August 9th FY 2016



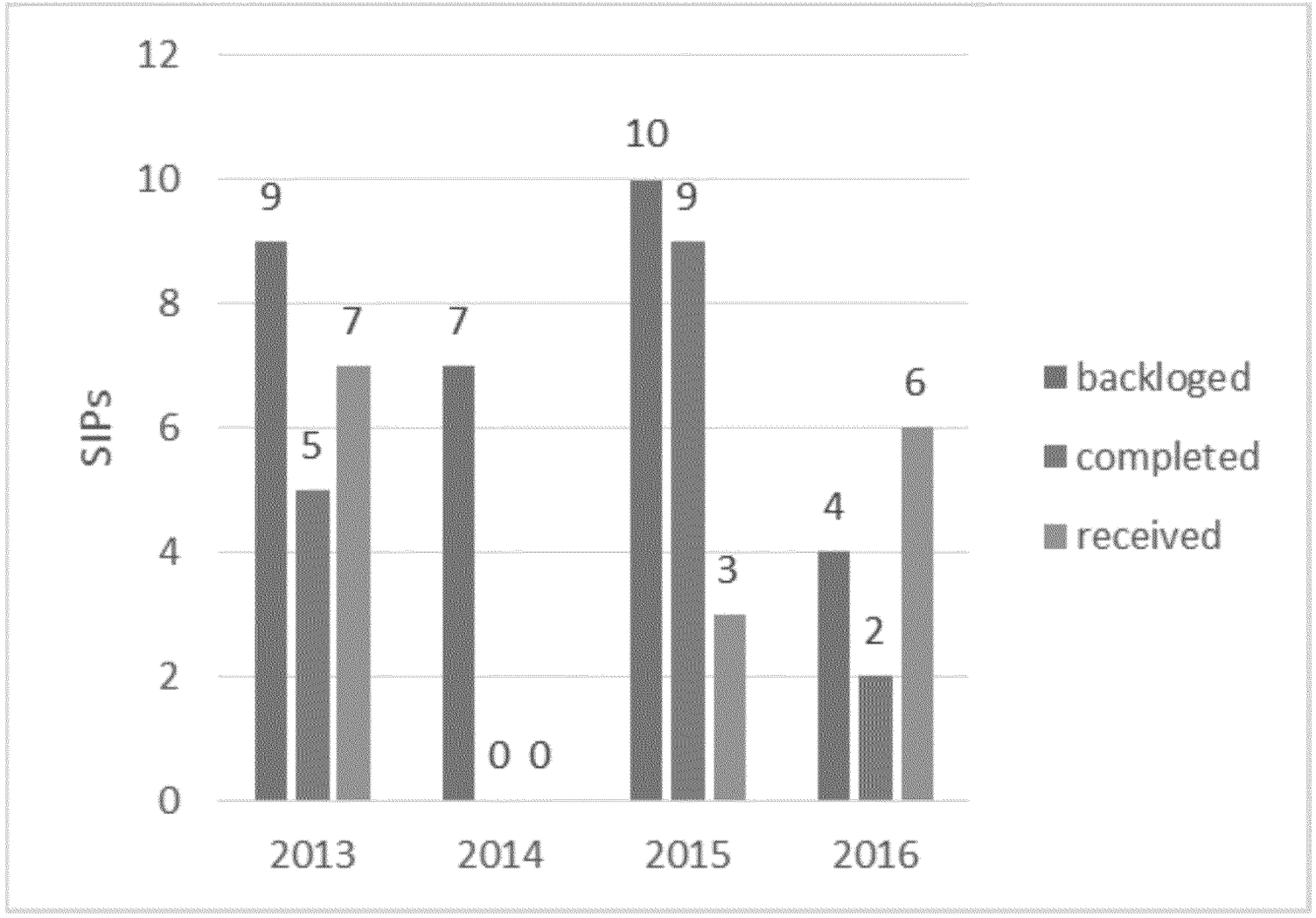
Each State

Colorado



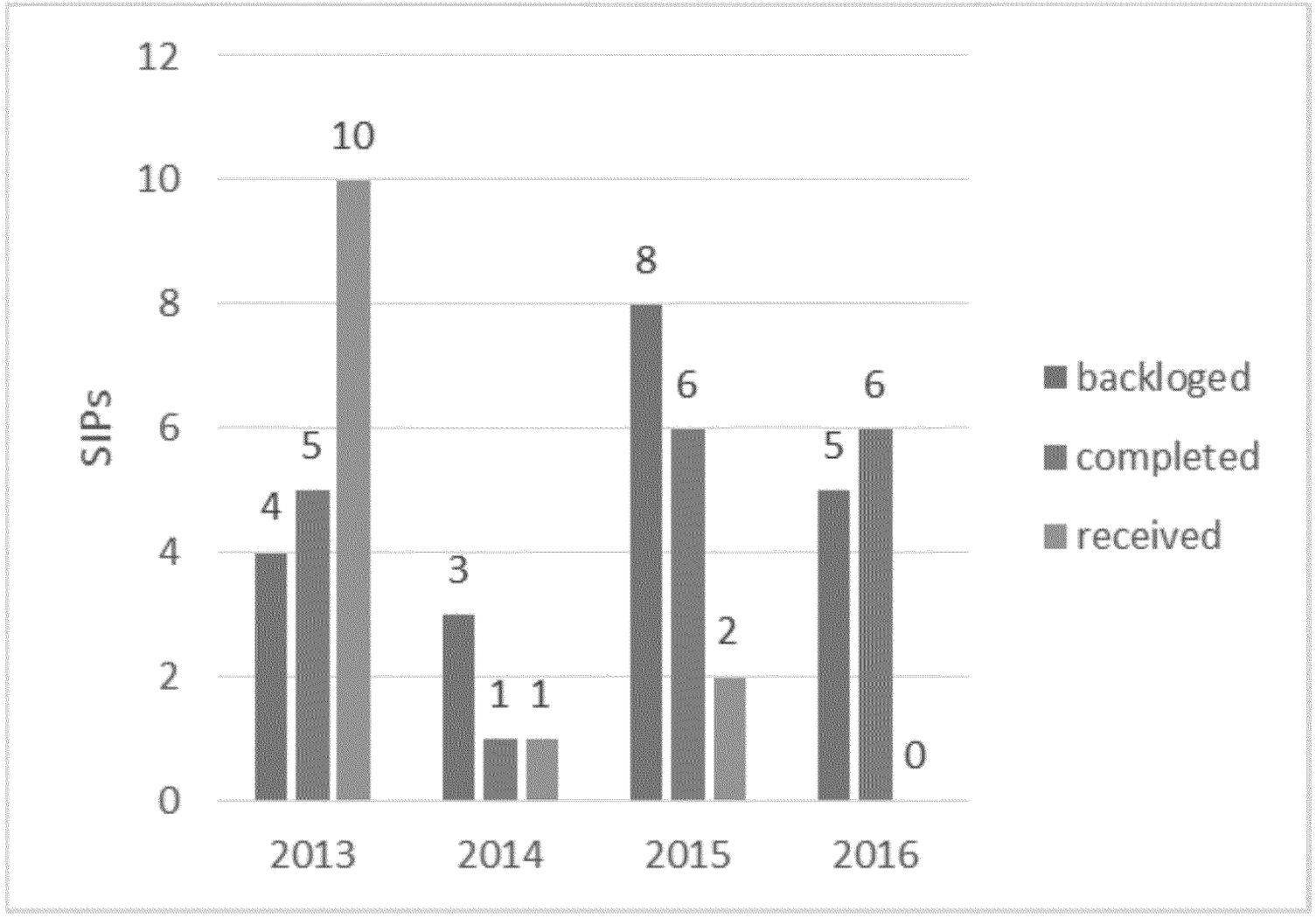
*FY 2016 is As of Aug 9

Montana



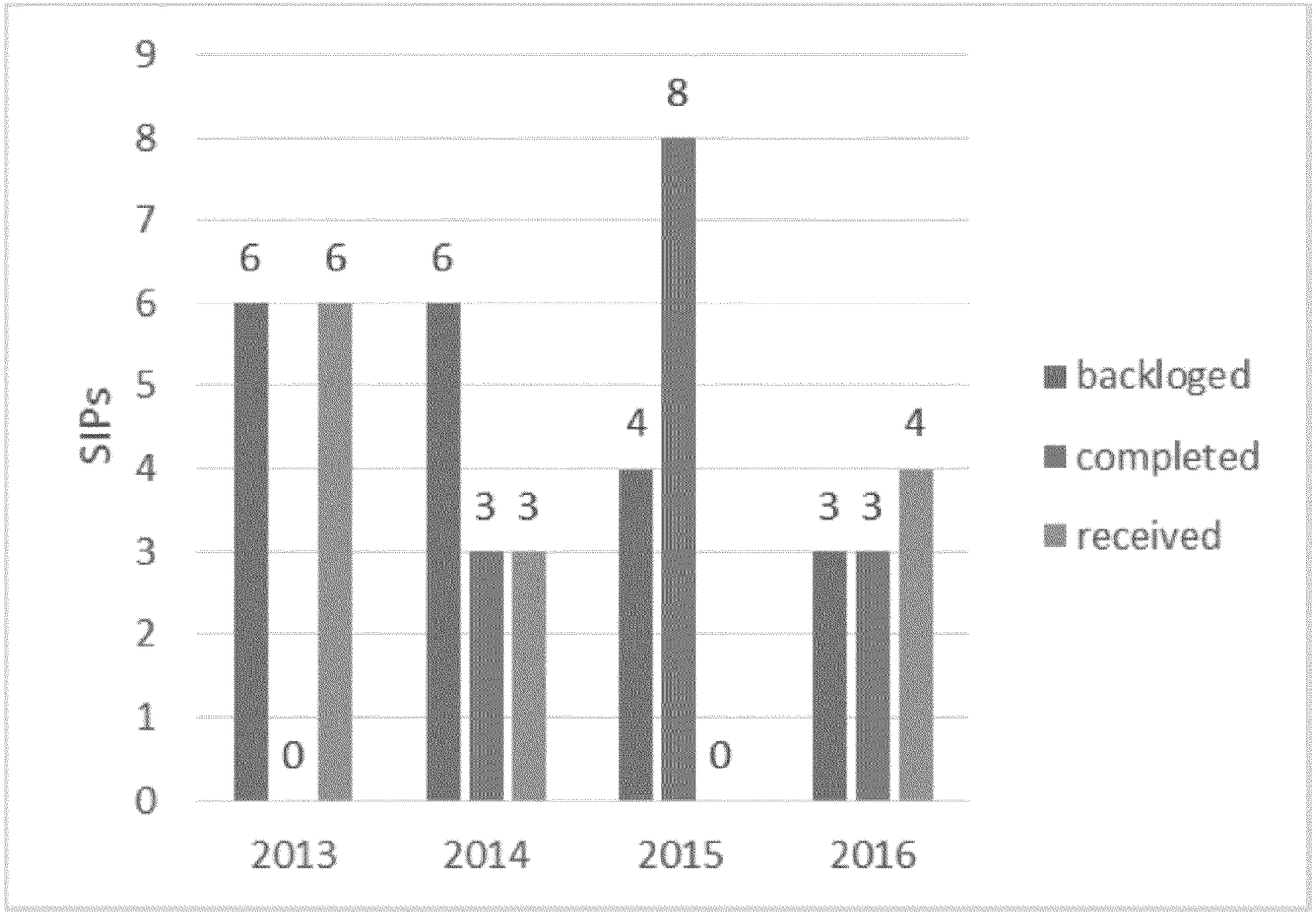
*FY 2016 is As of Aug 9

North Dakota



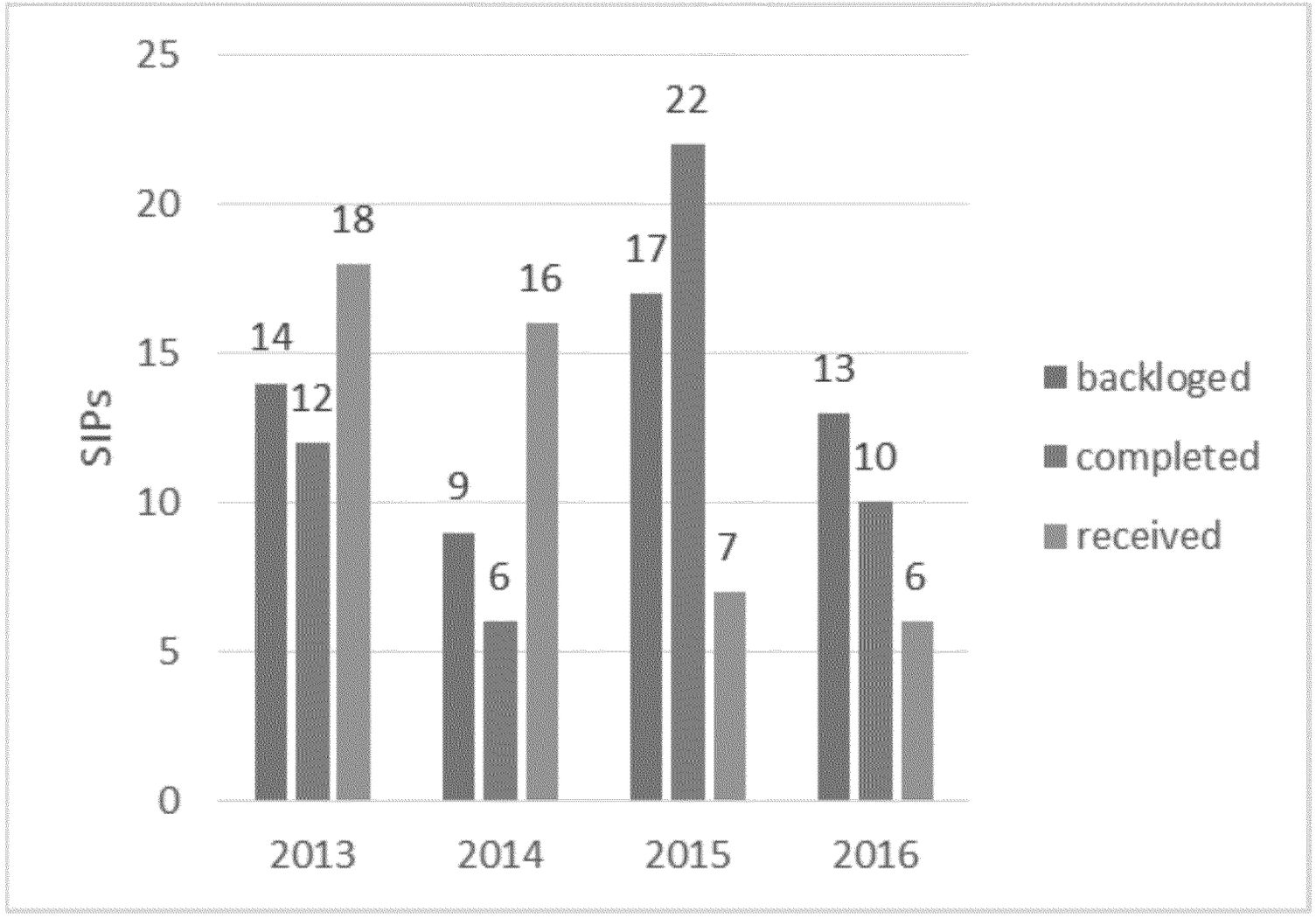
*FY 2016 is As of Aug 9

South Dakota



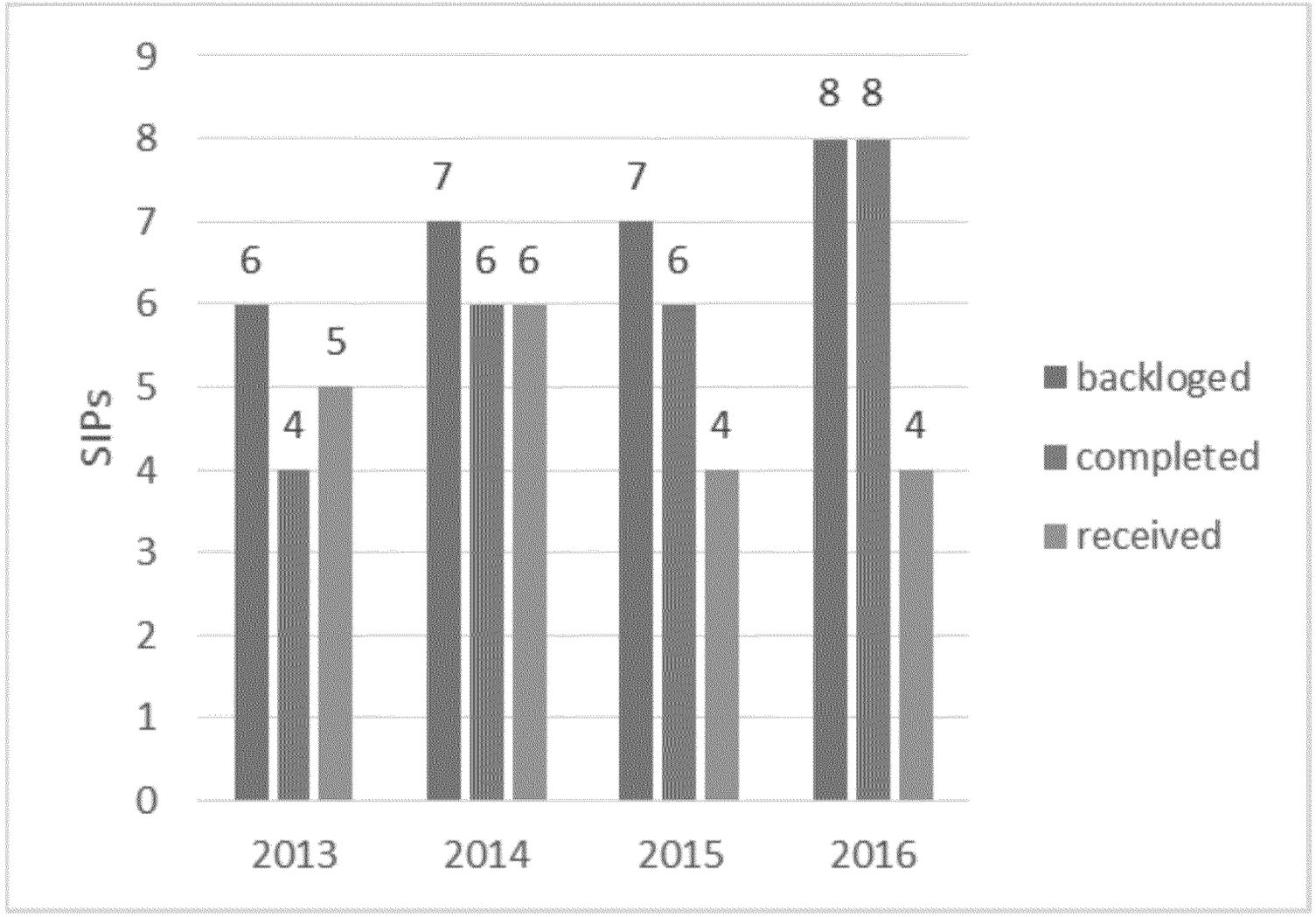
*FY 2016 is As of Aug 9

Utah



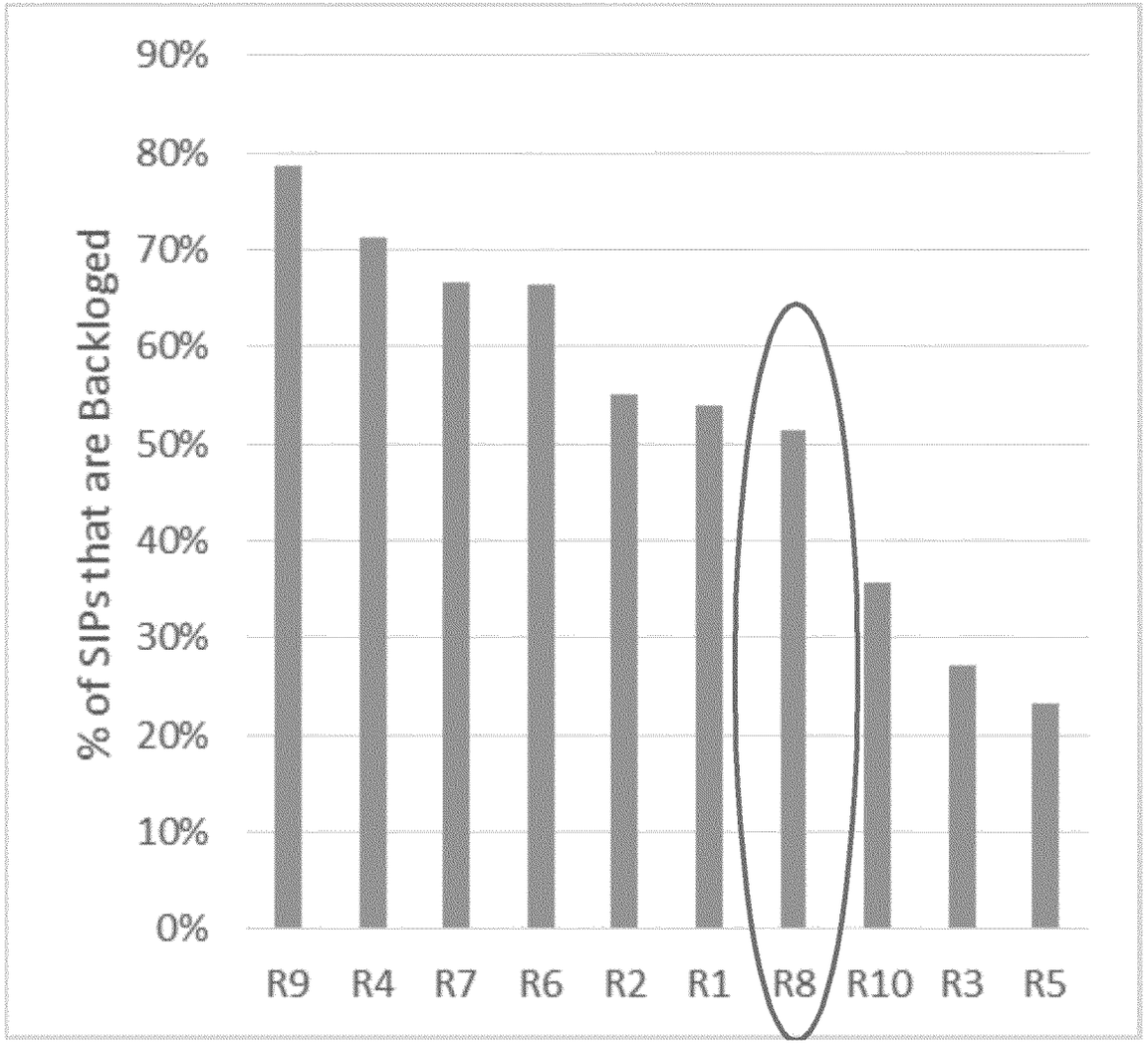
*FY 2016 is As of Aug 9

Wyoming



*FY 2016 is As of Aug 9

How Region 8 Compares



Questions?